



**Headquarters, U.S.
Marine Corps**

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MARINE CORPS FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE MANUAL

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1. Purpose. To provide comptrollers and fund managers with standard operating procedures related to the preparation, recording, reconciling, reporting and maintenance of financial records through all stages of funds management.
2. Cancellation. MCO P7300.8D and MCO P7300.20.
3. Information. This Manual is directive in nature and encompasses applicable principles and procedures for Marine Corps funds management as contained in Department of Defense and other higher authority financial management directives and as such, cannot be written in the five paragraph order format.
4. Action. This Manual is applicable to all U.S. Marine Corps activities performing financial functions.
5. Certification. Reviewed and approved this date.

A handwritten signature in black ink, appearing to read "W. L. NYLAND", is positioned above the printed name.

W. L. NYLAND
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Log completed change action as indicated.

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CHAPTER 1

RESPONSIBILITIES

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CHAPTER 1

RESPONSIBILITIES

1000. GENERAL. The legal and administrative responsibilities of funds are inherent at all levels of command. This chapter outlines the fund management duties and responsibilities of comptrollers and fund managers. This chapter also addresses the role and general responsibilities of the Defense Finance and Accounting Service.

1001. LEGAL AND ADMINISTRATIVE RESPONSIBILITIES. U.S. Marine Corps philosophy is based upon the principle that financial management is inseparable from Command. Funding and its availability are essential for commanders to perform their assigned missions. Commanders or others designated have legal and/or administrative responsibility for funds granted.

1. Legal responsibility over appropriated funds is cited in 31 U.S. Code 1517. Violations of this code are incurred for over-committing, over-obligating, or over-expending authorized funds. DoD 7000.14-R Financial Management Regulation (DODFMR), Volume 14, Administrative Control of Funds and Anti-Deficiency Act Violations contains all administrative and legal responsibilities and should be requisite reading for all personnel with legal responsibility of funds.

2. NAVMC 2664, Financial Guidebook for Commanders, contains legal and administrative responsibilities of commanders concerning financial management.

1002. COMPTROLLER FUNCTIONS AND RESPONSIBILITIES. Financial information is monitored and coordinated by the comptroller and his/her staff in order to provide the Commanding General or Commanding Officer with factual data essential for effective management control of the Command. Managerial Accounting Offices (MAOs) were established within the comptroller's office to assist with the duties associated with fund manager oversight. Responsibilities of the comptroller include:

1. Providing technical guidance and direction of financial matters throughout the organization as a staff service to the Commanding General or Commanding Officer.

2. Maintaining classification of programs administered and their objectives and a current inventory of budget plans and program schedules.
3. Formulating budgets, reviewing, and comparing execution performance against budgeted plans to include future, current, and prior fiscal years.
4. Providing guidance to fund managers responsible for the administration of travel payments (i.e., advances and settlements).
5. Maintaining customer service representatives for the Defense Civilian Pay System (DCPS).
6. Promoting economy and efficiency in the performance of assigned programs.
7. Maintaining oversight of transactions posted in the accounting system to ensure validity and accuracy of postings. These evaluations should include proper usage of funds, coding structures used, validity of obligations, and timely posting of financial information.
8. Conducting evaluations and analysis of fund manager areas for the purpose of promptly detecting and correcting problems. Resolving unsatisfactory conditions arising in connection with established financial procedures, practices, records and accounting system problems and deficiencies.
9. Ensuring proper records and source documents supporting fund execution are maintained by appropriate activities such as fund managers, for the life of the appropriation in accordance with document retention regulations.
10. Training fund managers in the proper utilization of the accounting system.
11. Acting as a liaison with the Defense Finance And Accounting Service (DFAS) on all accounting issues.

1003. FUND MANAGER DUTIES AND RESPONSIBILITIES. Fund managers are defined as those departments, battalions, regiments, staff sections, etc. that receive a funding authorization from commanders. Responsibility for oversight of financial management belongs to the comptroller. Fund managers must be appointed, in writing by the Commander as recommended by the comptroller. Appointment letters will include the responsibilities and duties of fund management. Fund managers are responsible for, but not limited to the following:

1. Compiling and executing the budget in accordance with the financial plan for the current fiscal year.
2. Monitoring the execution of the financial plan for all fiscal years available for obligation and five additional years thereafter.
3. Preparing source documents.
4. Recording accounting transactions into the financial system.
5. Reconciling the accounting system with source documents on a cyclic basis.
6. Maintaining financial records and source documents in accordance with the DoD 7000.14-R DOD DODFMR, Volume 1, Chapter 9, Financial Records Retention.
7. Identifying and providing information to the comptroller on Unmatched Disbursements (UMD's) and Negative Unliquidated Obligation (NULO's) on error and exception listings.
8. Conducting Unliquidated Obligation (ULO) and Outstanding Travel Order (OTO) validations.

1004. DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS). DFAS is the official accounting firm for DoD. DFAS has functional responsibility for DoD finance and accounting policies, procedures, standards, systems, and operations. Each service is provided finance and accounting support through a primary service center of DFAS. The primary service center for the U.S. Marine Corps is Kansas City (i.e., DFAS-KC).

1. DFAS is responsible for the official reporting of accounting information affecting the U.S. Marine Corps. DFAS is tasked with: the processing and posting of liquidations or payments that affect the U.S. Marine Corps appropriations and granted allotments, scheduling and running cycles, correcting system problems, and assisting U.S. Marine Corps commands in resolving financial problems and issues.
2. The validity of the amounts recorded in the accounting system is the responsibility of the U.S. Marine Corps.

1005. ACCOUNTING SYSTEM.

1. The Standard Accounting, Budget and Reporting System (SABRS) is the official accounting system for the U.S. Marine Corps and was designed to meet fiduciary standards established by the General Accounting Office, Office of Management and Budget, United States Treasury Department, and DoD.

2. SABRS accounts and reports for all U.S. Marine Corps funds throughout the life of the appropriation. Normally, this will include the year authorized to incur new obligations and five subsequent years to complete receipt and expenditures on established undelivered orders.

CHAPTER 2

AUTHORIZATION AND FLOW OF FUNDS

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CHAPTER 2

AUTHORIZATION AND FLOW OF FUNDS

2000. GENERAL. This chapter outlines the appropriations process, or how the U.S. Marine Corps receives its funds, beginning with the Congress. An appropriation is the authority for the government to incur liabilities. The U.S. Marine Corps is funded through many appropriations. Most can be classified into one of three categories: annual, multiple-year, and no-year. This chapter explains how these appropriations are handled, provides examples of each, and discusses the funds distribution process within the accounting system. The chapter also explains the organizational elements within the U.S. Marine Corps that budget or expend appropriations in support of their assigned missions.

2001. APPROPRIATIONS PROCESS.

1. All U.S. Marine Corps funds are provided by Congress, principally by means of annual legislation known as the Department of Defense Appropriations Act. Before an Appropriation Act is passed, it must be preceded by an Authorization Act. The Authorization Act estimates the maximum amount of money that may be appropriated for such things as military and civilian end strengths (i.e., the number of Marines and civilians the U.S. Marine Corps is allowed to have), equipment purchase quantities, training student loads, and other similar limitations.

2. An appropriation constitutes the authority for the government to incur liabilities (i.e., make obligations to obtain goods and services and to make payments for goods and services ordered and received) out of the United States Treasury. The Constitution of the United States requires that, "No money shall be drawn from the Treasury, but on consequence of Appropriation made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."

3. Appropriations are made from the Treasury's general fund by the Congress for specified purposes and cannot be used for other than the purpose stipulated by law. Some of the purposes for which appropriations are approved are : funding day-to-day operating costs (i.e., operations and maintenance appropriations); purchasing weapon systems and ammunition (i.e., procurement appropriations); funding for military salaries and permanent change of station moves (i.e., military personnel appropriations); constructing buildings and facilities (i.e., military construction appropriations); etc. A simple way of looking at an appropriation is to think of it as a bank account at the Treasury that the U.S. Marine Corps can use to buy various goods and services. The "bank account number," therefore, is referred to as the treasury symbol. The use of treasury symbols ensures that all charges and credits to the appropriations are reported to HQMC so that the status of each appropriation may be determined at any time. The treasury symbol is a four-digit designator.

4. It is illegal to spend funds from one appropriation to accomplish a purpose for which that appropriation is not available. For example, funds that have been authorized and appropriated for buying ammunition cannot be used for Temporary Duty (TDY), except as specifically authorized by law.

2002. CONTINUING RESOLUTION AUTHORITY. The Continuing Resolution Authority (CRA) is a congressional action that provides budget authority for specific, ongoing activities prior to passage of the Annual Appropriation Act. The continuing resolution usually specifies a maximum rate at which an agency may incur obligations and is based either on the prior year spending rate or a set percentage. The CRA allows commands to continue daily operations before authorizations have been passed down by HQMC, Programs and Resources (P&R) Department. HQMC (P&R) will provide specific guidance upon approval of the CRA and on the limits commands are authorized.

2003. FUND FLOW PROCESS. After funds are appropriated by Congress, they are apportioned to the Department of Defense (DoD) by the Office of Management and Budget (OMB). DoD, in turn subapportions funds to the Department of the Navy (DON), Office of the Assistant Secretary of the Navy (Financial Management and Comptroller) (ASN (FM&C)). ASN (FM&C) passes an allocation to the applicable Responsible Office (RO) within the DON. RO's are defined as the Headquarters Command that is responsible for budgeting, accounting, and reporting the totality of an appropriation. Two examples of RO's are the Chief of Naval Operations (CNO) and the Commandant of the Marine Corps (CMC). The RO passes money down to an Administering Office (AO). The AO is assigned the responsibility of performing the budgeting, accounting, reporting, and issuing of operating budgets and allotments to commanders responsible for carrying out the missions of the U.S. Marine Corps. Since the U.S. Marine Corps is a small organization compared to the other services, HQMC assumes the role of both RO and AO. Although funds are passed to the commanders, administration of these operating budgets/allotments is accomplished by the comptrollers.

2004. U.S. MARINE CORPS APPROPRIATIONS. The U.S. Marine Corps is funded through many appropriations. The primary appropriations are classified into three types: one year (i.e., annual), multiple (i.e., more than one year), and no-year (i.e., continuing). The classification is determined by the period of time that the appropriation is available for obligations. (See APPENDIX B for a complete list of appropriations by treasury symbol under which the U.S. Marine Corps receives funds.)

1. Annual Appropriations. These appropriations are generally used for current administrative, maintenance, and operational programs. Annual appropriations are available for incurring new obligations for only one fiscal year. The term "new obligation" means the initial order, requisition, or contract to another command, government agency, or private business to obtain a good or service needed by the command for mission support or mission accomplishment. New obligations can only be created during the period of 1 October through 30 September for an annual appropriation. However, annual appropriations can have payments made against them for an additional five years beyond the authorized fiscal year. This occurs when goods and services are received and accepted following the close of the fiscal year in which the appropriation was authorized. Examples of annual appropriations and their associated treasury symbols are as follows:

a. Military Personnel, Marine Corps (MPMC) (1105). The MPMC appropriation provides funds for: the pay and allowances of all active duty Marines; the cost of subsistence for enlisted personnel; costs related to permanent change of station travel; and for a variety of other miscellaneous military personnel costs.

b. Reserve Personnel, Marine Corps (RPMC) (1108). The RPMC appropriation provides funds for such expenses as: pay and allowances for Reserve personnel on active duty for training; drill pay; uniform clothing and alterations; subsistence; travel; disability and hospital benefits; and group life insurance related to Reserve personnel, Reserve officer candidates, and U.S. Marine Corps Junior Reserve Officer's Training Corps.

c. Operation and Maintenance, Marine Corps (O&MMC) (1106). The O&MMC appropriation provides funds for: officer and troop training; civilian salaries; recruiting; administration; operation of the supply system; maintenance of equipment; TDY travel and miscellaneous costs; and medical and dental care. It also provides funds for personnel support activities such as: dining facilities, barracks, BOQ's, service clubs, and commissaries; maintenance and repair of property; operation and purchase of utilities; minor construction; engineering support; and other base services, such as motor transport, communications, security, etc.

d. Operation and Maintenance, Marine Corps Reserve (O&MMCR) (1107). The O&MMCR appropriation provides funds for U.S. Marine Corps Reserve units to support: equipment operating costs; consumable supplies; maintenance of HQMC-furnished augmentation equipment; and TDY costs in support of reserve training conferences; the operation and maintenance of reserve training centers; Civilian Marine Pay; maintenance and replacement of station property; reserve recruiting operations; and hire of commercial transportation for field training of reservists.

2. Multiple-Year Appropriations. These appropriations are available for incurring obligations for a definite period in excess of one fiscal year. Multiple-year appropriations provide funds for weapons, ammunition, and other major items required by the Operating Forces and finance the research into advanced combat weaponry and equipment. Examples of multi-year appropriations and their associated treasury symbols are:

a. Procurement, Marine Corps (PMC) (1109). The PMC appropriation provides funds for the procurement of major items of equipment (i.e., investment items), including tanks, trucks, radios, and guided missile equipment. It also provides for major items of commercial equipment and support of initial outfitting of spares/major parts for newly fielded weapon systems.

b. Research, Development, Test, and Evaluation, Navy (RDT&EN) (1319). The RDT&EN appropriation finances the research into advanced combat weaponry and equipment. (The U.S. Marine Corps is concerned with this appropriation only when the funds are used in support of U.S. Marine Corps programs.)

3. No-Year Accounts. These accounts are more accurately described as revolving funds. Revolving funds finance a cycle of operations in which the original no-year funds are used and then replenished through reimbursements and collections from other appropriations. This process allows the revolving fund to be self-sufficient once it is established by Congress. Examples of no-year accounts include:

a. Defense Working Capital Stock Fund (4930.NC2A). This revolving fund was initially established by Congress. The Defense Working Capital Stock Fund finances the procurement and inventories of those standard supply and equipment parts of a consumable nature for which there is a recurring demand. The cost of these items is normally chargeable to the O&M,MC funds of the commander who requests and receives the items from supply stock. In other words, the commander who buys the parts from the warehouse pays for the item with operating funds (i.e., O&M,MC). The money received is then used by the warehouse to replenish the inventory.

b. Defense Working Capital Industrial Fund (4930.NC1A). This revolving fund is established in accordance with requirements of the Secretary of Defense. The Defense Working Capital Industrial Fund provides the working capital to finance the operations of the overhaul and repair facilities at the U.S. Marine Corps Logistic bases in Albany, GA and Barstow, CA. The capital is replenished by the funds received as a result of periodic billings to customer activities for work or services the depots have performed.

c. Wildlife Conservation on Military Reservations, Navy (WCMRN) (5095). These funds are derived from fees collected from the sale of fishing and hunting permits pursuant to approved wildlife conservation programs established in accordance with instructions issued by HQMC.

2005. FUNDS DISTRIBUTION AND U.S. MARINE CORPS FUNDS FLOW ORGANIZATIONAL ELEMENTS. Funds flow is accomplished using the funds distribution process within the accounting system and begins with HQMC (P&R) recording the allocated amount for all treasury symbols and issuing operating budgets or allotments to commanders. The funds flow hierarchy is as follows:

1. Headquarters Marine Corps (HQMC). HQMC issues operating budgets (OPBUD's) and allotments which provide funding authority from a specific appropriation to a command to accomplish its mission. OPBUD/allotment authority is expressed in terms of a specific amount granted to incur obligations and payments in support of assigned missions and functions.

2. Major Command Recipients. A Major Command Recipient is a command that receives its funds directly from HQMC. Major Command Recipients may pass funds to Allotment Recipients within their command if applicable. Commander, Marine Forces Pacific; Commander, Marine Forces Atlantic; Commander, Marine Corps Material Command; Marine Corps Recruit Command; and Marine Corps Combat Development Command are examples of Major Command Recipients.

3. Allotment Recipients. An Allotment Recipient is a command that receives an allotment (formerly referred to as an OPBUD) from a Major Command Recipient. Commander, Air Bases East and Commander, Air Bases West are examples of Allotment Recipients. Major Command Recipients are also Allotment Recipients when they pass funds to themselves. An example of a Major Command Recipient who passes funds to themselves as an Allotment Recipient is Commander, Marine Forces Pacific.

4. Suballotment Recipients. A Suballotment Recipient is a subordinate command that receives a portion of an allotment (OPBUD) from an Allotment Recipient. Examples of Suballotment Recipients are MCAS Miramar, MCB Camp Pendleton, and I MEF. Major Command Recipients are also Allotment/Suballotment Recipients when they pass funds to themselves.

5. Work Center. A Work Center is a subdivision of a Suballotment Recipient. Typically, Work Centers refer to Assistant Chiefs of Staff within a U.S. Marine Corps Base or Major Commands within a MEF. These activities are held financially responsible as subordinate to superior. Legal responsibility is retained at the Suballotment Recipient level. An example is the MEF commander passing funds to the Division, Wing, and FSSG commanders to operate their units.

6. Budget Execution Activities (BEA). Budget Execution Activities are subdivisions of Work Centers. Legal responsibility for the proper management of the funds is retained by the OPBUD or Suboperating Budget (SUBOPBUD) holder. An example of a BEA is a battalion within a division.

7. Budget Execution Sub-Activity (BESA). Budget Execution Sub-Activities are subdivisions of BEA's. BESA's are established whenever detailed identification of costs below the BEA is desired. BESA's are the lowest organizational level to which funding is broken down in the U.S. Marine Corps. An example would be assigning companies (i.e., the BESA) within a battalion (i.e., the BEA) to collect detailed costs of operating each company so the battalion can manage funds more effectively.

CHAPTER 3

CODING STRUCTURES

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CHAPTER 3

CODING STRUCTURES

3000. GENERAL. There are specific coding structures necessary to initiate and track valid financial transactions in the accounting system. The codes must reside in specific tables within the accounting system and the responsibility for maintaining these tables lies with DFAS, the comptroller, and HQMC (Liaison and Technical services Branch (RFL) Branch, Programs and Resources Department Division). This chapter will provide a basic understanding of the various codes necessary to initiate transactions within the accounting system and track the execution of those transactions.

3001. CODES REQUIRED TO INITIATE FINANCIAL TRANSACTIONS.

1. Document Number Construction. A document number is used to uniquely identify a specific accounting transaction derived from a source document for recording, tracking, and management purposes. Fund managers are responsible for properly assigning non-system generated document numbers to source documents. Comptrollers are ultimately responsible for document number management. There are three types of document numbers used, the Standard Document Number (SDN), Military Standard Requisitioning and Issue Procedures (MILSTRIP) Document Number, and Procurement Instrument Identification Number (PIIN).

a. Standard Document Number (SDN). The SDN is a 15-position document number used for all non-Interdepartmental Billing (IDB) requisitions. The example below shows the breakdown of an SDN:

M0002700WR00001

where:

POSITION	CONTENT
1-6	Activity Address Code (AAC) of requesting/ issuing activity preceded by a service designator, e.g. "M" for Marine Corps
7-8	Last two digits of the fiscal year in which the document was created
9-10	Document Type Code (DTC) (See APPENDIX C for a complete list of DTC's.)
11-15	5-digit Serial Number (See definition below.)

NOTE: The serial number is locally assigned to distinguish individual source documents. The serial number may be created using both alpha and numeric characters. Serial numbers assigned when creating SDN's cannot be repeated during the fiscal year for the same AAC and Document Type Code. Comptrollers will provide guidance on assigning SDN's, to include specific guidance on serial number assignments made by a fund manager. Further, comptrollers will provide guidance on creating a document number log (i.e., spreadsheet, database, log book, etc.) to assist fund manager in maintaining control over assignment of SDN's during the fiscal year to ensure SDN's are not assigned to more than one source document.

b. MILSTRIP Document Number. The 14 position MILSTRIP document number is assigned to requisitions processed through a government source of supply and for open purchase requisitions. The example below shows the breakdown of a MILSTRIP Document Number:

M0002701150001

where:

POSITION	CONTENT
1-6	AAC of requisitioning activity preceded by a service designator, e.g. "M" for Marine Corps
7-10	Julian Date (See definition below.)
11-14	4-digit Serial Number, locally assigned to distinguish individual source documents (See 3001.1a.)

NOTE: The Julian Date is composed of a 1-digit calendar year (e.g., 1 represents calendar year 2001) followed by the current 3-digit Julian Date (e.g., 001 represents 01 January, 365 represents 31 December except for leap year).

c. The Procurement Instrument Identification Number (PIIN) is a 13 position document number used by contract issuing activities to identify procurement actions. The PIIN is the proper document number to cite when recording obligations applicable to contracts. The Supplementary Procurement Instrument Identification (SPIIN) is a 4 position document number and is the

call or order number used for Blanket Purchase Agreements, Indefinite Delivery Contracts, and Basic Ordering Agreements. The example below shows the breakdown of a PIIN/SPIIN document number.

M00027-99-F-2580/0001

Where:

POSITION	CONTENT
1-6	Identifies the department/agency and office contracting/procuring the instrument, e.g. "M" for Marine Corps
7-8	Identifies the last two digits of the fiscal year in which the PIIN was assigned
10-13	Identifies the serial number. Activities may reserve a block of numbers or alphanumeric characters for use by its various components. The letters "I", "O" or all zeros, spaces, dashes, or hyphens will not be used.
14-17	A SPIIN will be used when position 9 is coded "A", "G", or "H" and sometimes if position 9 is a "D". The four positions will be alpha-numeric and will not contain the letters "I" and "O" or all zeros, spaces, dashes, or hyphens.

NOTE: Position 9 identifies the type of instrument issued as shown below:

1. Blanket Purchase agreements--A
2. Invitations for bids--B
3. Contracts of all types except indefinite delivery contracts, facilities contracts, sales contracts, and contracts placed with or through other Government departments or agencies or against contracts placed by such departments or agencies outside the DOD--C
4. Indefinite delivery contracts--D
5. Facilities contracts--E
6. Contracting actions placed with or through other Government departments or agencies or against contracts placed by such departments or agencies outside the DOD (including actions with the National Industries for the Blind (NIB), the National Industries for the Severely Handicapped (NISH), and the Federal prison Industries (UNICOR))--F

7. Basic ordering agreements--G
8. Agreements, including basic agreements and loan agreements, but excluding basic purchasing agreements, basic ordering agreements, and leases--H
9. Short form research contract--K
10. Lease agreement--L
11. Purchase order, manual--M (W is assigned if the numbering capacity of M is exhausted during the fiscal year)
12. Notice of intent to purchase--N
13. Purchase order, automated--P (V is assigned if the numbering capacity of V is exhausted during the fiscal year.)
14. Request for quotation, manual--Q
15. Request for proposal--R
16. Sales contract--S
17. Request for quotation, automated--T (U is assigned if the numbering capacity of T is exhausted during a fiscal year.)

2. Accounting Classification Code. The Accounting Classification Code (ACC), commonly referred to as Line of Accounting (LOA), identifies who is spending the funds, who is performing the accounting, the appropriation to be charged, the fiscal year, and the special interest information. An ACC is comprised of ten elements, as provided in the following example:

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
ACR	APPN	SH	OC	BCN	SA	AAA	TT	PAA	CC
N									
AA	1701106	27A0	000	67026	_	067443	2D	000000	25500WR00001

a. Accounting Classification Reference Number (ACRN). A two position alphanumeric code (excluding alpha I's, O's, and "FR" reserved for freight or transportation charges) that identifies a unique LOA data code cited during all stages of processing accounting transactions. The combination of SDN and ACRN is used to capture unique accounting transactions to its proper accounting classification code.

b. Appropriation Symbol. A seven digit alphanumeric code assigned by the Department of the Treasury to uniquely identify a congressional approved appropriation that is being charged by the source transaction. The Appropriation Symbol is comprised of a two-digit numeric department code, a one-digit

numeric fiscal year code (i.e., the last digit of the fiscal year), and the four-digit numeric treasury symbol.

c. Subhead. A four position alphanumeric code that represents the administering office and the budget program that executed the funds. The subhead identifies charges and credits made to the first level of an appropriation. The first two characters of the subhead designate the administering office and are derived from the last two characters of the major claimants unit identification code. The third digit of the subhead relates to the budget activity that is specific to the appropriation under which the subhead falls. The last digit of the subhead is always zero for the O&M,MC appropriation.

d. Object Class (OC). A three-digit code that defines the nature of the services or supplies and materials purchased (e.g., 021 is Travel). For collections, the Reimbursable Source Code (RSC) preceded by two zeros will be used. (See APPENDIX D for a complete list of Object Class Codes and APPENDIX E for a complete list of RSC's.)

e. Bureau Control Number (BCN). A 5-digit numeric field used to identify the holder of the funds or OPBUD. The BCN for the O&M,MC appropriation will be the UIC code assigned to the allotment authorization (formerly OPBUD or SUBOPBUD) provided to commands. For example, III MEF's UIC (67438) appears as the BCN for the 3rd Marine Division, 3rd Force Service Support Group, and 1st Marine Aircraft Wing because III MEF is the SUBOPBUD holder for all three major commands. For allotment holders, the first two alphanumeric digits of the BCN are the budget project and the last three numeric digits are the allotment holder.

f. Suballotment Number (SA). A one-position field used to identify a Centrally Managed Allotment (CAM), (formerly Centrally Managed Operating Budget--(CMOB)) administered at HQMC. CMAs are established to account for items or functions where one office managing funding and costs is more appropriate from a control and administrative perspective than distributing funds to each command. CMAs are established for foreign currency fluctuations, second destination transportation, etc. See MCO 7040.8 for suballotment codes applicable to CMAs. If funds being used do not come from a headquarters controlled CMA, this field will be left blank.

g. Authorized Accounting Activity (AAA). A six-position code used to identify the activity responsible and authorized to perform accounting functions for the fund holder.

h. Transaction Type Code (TT). A two-position code used to classify payments/receipts as to purpose or category (e.g., 2D is Payment, 1K is Advance, 3C is reimbursable collection). (See APPENDIX F, for a complete list of Transaction Type Codes.)

i. Property Accounting Activity (PAA). A six-position field that is used to identify the AAC of the document. For TDY documents, this field will contain the Travel Order Number (TON). For equipment purchases that are classified as plant property, place the activity designator code or UIC identifying the activity responsible for plant property accounting. This field may be zero filled.

j. Cost Code. A 12-position code used for local identification of transactions. For TDY documents, this field will be automatically assigned by the order writing system when the orders are created. For all other types of transactions, this field will be locally determined. It is recommended, however, that commands use the last 12 digits of the document number assigned to the source document in this field. (See paragraph 3001.1 for an explanation of document numbers.) When establishing cost codes for the Government Purchase Cards, they should identify the BEA, BESA, and Fund Code.

3002. CODES REQUIRED TO TRACK FINANCIAL EXECUTION.

1. Financial Information Pointer (FIP). The FIP is a collection of data elements that serves as a key to collect and classify funds by the type of funds used and the purpose for which they were executed. FIP's are only applicable to treasury symbols 1106 and 1107. When properly assigned, the data elements of the FIP provide valuable financial information that is used by financial managers throughout the U.S. Marine Corps.

a. The FIP consists of 30 alphanumeric characters contained in ten data fields. These fields, singularly or when arranged in various combinations, classify the appropriation used, the reason or purpose for which funds were spent, and who spent the money. The example below outlines the structure and elements of the FIP. Only fields (1) through (6) are mandatory fields. The other fields are optional depending upon the circumstances.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
MAC	BEA	BESA	FC	OC/SOC	CAC	BRC	JON/LU	RON	RBC
M99255	30	10	QJ	2110	0005	—	ISMO	—	—

b. The elements that comprise the FIP are described as follows:

(1) Major Activity Command (MAC). This is a six position digit alphanumeric code used to identify the command that has received funds through an OPBUD or SUBOPBUD, or administratively has significant control and influence on the use of authorized funds within the command. The MAC is the same as the Work Center Identifier (WORK-CTR-ID). The MAC identifies the unit electronically for accounting and reporting purposes. The MAC is constructed by using an "M" (Marine Corps) in position one, followed by the UIC. All authorized UIC's can be found in DFAS CL (NAVSO) P-1000-25. Examples of MAC's are:

M67001	Commanding General, Marine Corps Base, Camp Lejeune,
M12000	Commanding General, 2nd Marine Division

(2) Budget Execution Activity (BEA). This is a two position alphanumeric code used to represent a sub-division of Major Activity Commands. Bee's are organizational elements designated by the Major Activity Command to control a specific segment of authorized funds to accomplish assigned missions. The two-digit codes used to represent each BEA are determined and assigned within the local command. Activities normally assigned as BEA's would be battalions within a division; squadron within a wing; or facilities department within a base. Listed below are some examples of assigned BEA's:

10	BN ADP SUPPORT (S6)
21	SPECIAL SERV (MCCS)
30	CAMP UTILITY OPERATIONS (S4)
31	FACILITY SUPPORT CONTRACTS (S4)

(3) Budget Execution Sub-Activity (BESA). This is a two-position code used to represent a sub-division of a BEA. BESA's are established whenever detailed identification of costs below the BEA is desired. BESA's are the lowest organizational level to which funding is broken down in the U.S. Marine Corps. Do not confuse this code with the Work Center ID of the Fund Control Key. Examples of BESA's under BEA 30 above (i.e., Camp Utility Ops) are:

10	Electric
20	Water
30	Sewage
40	Gas

(4) Fund Code (FC). This is a two-position code used to identify the appropriation, subhead, budget activity/sub-activity group, and program element number. Fund Codes are short keys that allow collection of information using two alpha/numeric characters vice 23 positions (which would be required if the user had to key appropriation, subhead, etc.). Fund Codes are assigned by HQMC and are listed in MCO P7301.65 and MCO 7301.117. Alpha-alpha codes (except Fund Code XA) are used to identify annual appropriations, alphanumeric codes are used to designate multiple year appropriations, and numeric-alpha codes are used to identify no-year appropriations. (See APPENDIX G for a complete list of Fund Codes.)

(5) Object Class/Subobject Class (OC/SOC). A four-position code that classifies financial transactions in terms of the nature of the services or articles for which obligations are incurred. The first two digits identify the Object Class (i.e., the type of expense being incurred such as supplies, equipment, civilian labor, etc.) and the last two digits define the Subobject Class (i.e., the source or specific nature of the services ordered such as "supplies are ordered from Army Stock items", "fuel being purchased is diesel", etc.).

(6) Cost Account Code (CAC). CAC's are four position codes used to classify financial transactions according to their "purpose" and are also used to uniformly identify the contents of management reporting requirements. CAC's are the lowest required level of cost categorization and collection used within the accounting system for categorizing why funds were used. CAC's also point to specific cost categories in the accounting system called Marine Corps Activity and Sub-Activity Group codes.

(a) Activity Group (AG). The AG is a two-position code used to represent a major category within a command's budget. It classifies cost into broad areas that allow reporting of obligation and expense information required by DoD or to fulfill the management information requirements imposed by the Navy or HQMC. Examples of Marine Corps Activity Groups are:

AF	Flight Operations
BA	Mission Support
FM	Operating Forces

(b) Sub-Activity Group (SAG). A two-position code that represents a more detailed functional breakdown within the Activity Group. As an example, under the Activity Group FM (i.e., Operating Forces), some of the associated Sub-Activity Groups are:

70	Maintenance of Equipment
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- 71 Administration/Operations
- 72 Training

(7) Budget Reporting Code (BRC). This is a two position code that is used to track and collect all costs associated with a specific high-interest program regardless of command, BEA, or fund code. If the BRC is assigned by HQMC, the code must be represented as alpha-alpha or alphanumeric. If the BRC is assigned by a local command, the BRC must be represented as numeric-numeric or numeric-alpha. By use of a standard BRC code throughout the U.S. Marine Corps, all costs and financial information pertaining to operations (e.g., Desert Storm) or specific exercises (e.g., Team Spirit) can be captured and quickly identified at the headquarters level. The BRC is an optional field in the FIP.

(8) Job Order Number/Local Use (JON/LU). This is a four position alphanumeric code that serves the dual purpose of tracking work performed by facilities through the job number and tracking individual activities through the local use code. These codes are determined at the local command level. The JON/LU code is an optional field in the FIP.

(9) Reimbursable Order Number (RON). This is a three position alphanumeric code that is locally assigned to identify a specific request for reimbursable work that has been accepted. A RON must be cited in the FIP for funds that are executed under an accepted reimbursable order. This field is left blank for non-reimbursable FIP's. The FIP RON must be the same as the last three-digits in the 15-digit Standard Fiscal Codes RON.

(10) Reimbursable Billing Code (RBC). This is a one position code that is locally assigned for billing purposes to identify line of accounting data to a reimbursable customer based on the RON assigned and the specific breakdown of costs required to bill, i.e., RBC A represents "labor" costs, RBC B represents "medical", and RBC C represents "other"

2. Standard Fiscal Codes. The following codes are standard fiscal codes applicable to all treasury symbols:

a. Fiscal Year (FY). An 8-digit numeric field that identifies the beginning and ending period of fund availability for obligation purposes. For example, 19992001 for treasury symbol 1109 indicates that the related funds were appropriated by congress for the fiscal year 1999 with a three-year period of obligation availability.

b. Fiscal Year Full (FY-FULL). A 4-digit numeric field that identifies the twelve month period starting 1 October and ending 30 September that constitutes the official accounting period established by the federal government. It is the beginning year of the period of availability of funds for obligational purposes. If funds are appropriated by Congress for Fiscal Year beginning 1999 and ending 2001 the Fiscal Year full is 1999.

c. Budget Activity (BA) Code. A 2-digit alphanumeric field that identifies the functions or areas an appropriation is to fund. Listed below are examples of the budget activities applicable to the O&M,MC appropriation:

BA 01	Operating Forces
BA 03	Training and Recruiting
BA 04	Administration and Service-Wide Activities

d. Major Reimbursable Source Code (MAJ RSC). An optional single position alphanumeric field that identifies the source(s), by general category, of the funds with which one activity is reimbursed for work, services, or goods furnished to another activity. Listed below are examples of RSC's applicable to funded reimbursables:

RSC '1'	Marine Corps
RSC '3'	Other DoD
RSC 'E'	Outside DoD

(See APPENDIX E for a complete list of Reimbursable Source Codes.)

e. Reimbursable Order Number (RON). A 15 position alphanumeric field that is locally assigned to identify a specific funded request for reimbursable work that has been accepted by a command. For unfunded reimbursable authority, the RON is assigned by HQMC. The RON is constructed in the same manner as the SDN with the following serial number assignment:

<u>Symbols</u>	<u>Serial Number</u>
1106/1107	00 + FIP RON
All others	Subhead + RSC

f. Funding Function (FUND-FUNC). A 2 to 8 position alphanumeric field that is used to identify the purpose for which funds are intended. Funding functions are constructed differently for different appropriations. For the 1106 appropriation, the FUND-FUNC is a 4-position code derived from Navy AG's and SAG's. The first two digits are the AG and the last two digits are the SAG. For example, AG '1A' for Expeditionary Forces and SAG '4A' for Base

Support is combined as funding function '1A4A' when dealing with funding for Expeditionary Forces Base Support. (See APPENDIX H for instructions on constructing funding functions.)

g. Basic Symbol Sponsor (BASIC-SYM-SPONS). A 6 position alphanumeric field that identifies the unit that will become responsible for the total budget authority delegated to them from HQMC.

h. Major Command Recipient Identifier (MCC-RECIP-ID). A 6 position alphanumeric field that identifies the Major Command Recipient that receives its funds directly from HQMC. The MCC-RECIP-ID is the UIC of the command receiving funds.

i. Allotment Recipient Identifier (ALLOT-RECIP-ID). A 6 position alphanumeric code that identifies the installation/activity receiving funds from the Major Command Recipient. The ALLOT-RECIP-ID is the UIC of the activity receiving funds.

j. Special Interest Code (SPCL INT). An optional 2 to 3 position alphanumeric code that identifies specific functions within the budgetary sub-division field (i.e., MCCS, Health Care, etc.) or other unprogrammed, highly visible issues (i.e., Desert Shield/Desert Storm). The value for this field is the same as the BRC in the FIP.

k. Suballotment Recipient Identifier (SRI). A 6 position alphanumeric field that identifies the installation or activity receiving funds from the Allotment Recipient command.

l. Work Center Identifier (WORK-CTR-ID). A 6 position alphanumeric field that identifies a subdivision of a Suballotment Recipient from which funds are received.

m. Budget Execution Activities (BEA). BEA's are sub-divisions of Work Center Identifiers. Each BEA is assigned a 2-position code that identifies them as an organizational element designated to control a specific segment of funds.

n. Budget Execution Sub-Activity (BESA). BESA's are sub-divisions of BEA's. BESA's are established whenever detailed identification of costs below BEA is desired. Each BESA is assigned a 2-position identifier that identifies the level in the financial management structure at which financial transactions are initiated.

CHAPTER 4

SOURCE DOCUMENTS AND FILE MAINTENANCE

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CHAPTER 4

SOURCE DOCUMENTS AND FILE MAINTENANCE

4000. GENERAL. This chapter explains the procurement cycle and emphasizes the importance of source documents to every spending transaction in that cycle. Source documents are processed within the accounting system in five phases: initiation, commitment, obligation, expense, and liquidation. This chapter provides examples of source documents and explains at what stage during the transaction cycle they are used. This chapter also provides the fund manager the information necessary to establish and maintain source document files.

4001. PROCUREMENT CYCLE.

1. In order to purchase materials and/or services needed to sustain daily operations or complete mission requirements, accounting source documents must be created and processed. In a simple business practice, a requisitioner (i.e., purchaser) creates a requisition form to start the procurement process. The requisitioner then forwards the requisition form through a processing chain until the actual materials and/or services are received and payment is complete. These documents are maintained by the fund manager and are the foundation for every spending transaction recorded into the accounting system.

2. The initial requisition is just the beginning of the documents that must be prepared to complete a singular procurement transaction. As a requisition is forwarded through the processing chain, other accounting source documents are prepared to continue the process. For example, an initial requisition document cannot be the actual contract between the government and a commercial vendor. The purchasing agent will receive the requisition, analyze the requirement, call vendors and make the purchase. This agreement between the vendor and the government (purchasing agent) is documented on a separate form other than the initial requisition form. In cases of payments, the government has other standard government forms for that particular part in the procurement process.

3. Source documents can be created two ways; manually (e.g., by a supply clerk) or as computer generated transactions passed electronically into the accounting system. All source documents require a unique document number to track the transaction and an Accounting Classification Code or appropriation data. For input into the accounting system, additional data elements are required to charge the appropriate account and categorize the accounting transaction (e.g., FIP).

4002. TRANSACTION CYCLE.

1. All source documents that are processed into the accounting system enter through a five-phase process called the transaction cycle. These five steps are referred to as: initiation, commitment, obligation, expense and liquidation and are initiated as each step in the procurement cycle is completed.

a. Initiation. An initiation is the administrative reservation of funds based upon procurement directives or equivalent instruments, which authorizes preliminary negotiations looking toward the creation of obligations, but providing for recourse to the official responsible for administrative control of funds prior to incurrence of the obligations.

b. Commitment. A commitment is a firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The act of entering into a commitment is usually the first step in the process of spending available funds. The effect of entering into a commitment and the recording of that commitment on the records of the allotment is to reserve funds for future obligations. A commitment is subject to cancellation by the approving authority to the extent that it is not already obligated.

c. Obligation. An obligation is a firm, legally binding agreement between parties for the acquisition of goods or services. This phase is important in that when an official document describing a financial transaction exists, the government is legally and contractually liable for the amount shown on the source document. Once funds are obligated, the official unobligated available balance of the fund manager's account is decreased. Commands creating obligations in excess of authorizations could cause a violation of the Anti-deficiency Act (31 U.S. Code 1517) at the level where the funding limitation is held. An obligation may be de-obligated when both parties agree and supporting documentation is provided to update the accounting system.

d. Expense. An expense occurs when material and services ordered are received and accepted by a designated authorized receiving point. The expense amount creates the accounts payable amount in the accounting system, and controls the amount billed for reimbursable transactions.

e. Liquidation. A liquidation is the payment for goods or services that were ordered and received. Liquidations or payments are made after the finance officer receives an invoice from a vendor or government agency requesting payment.

2. The transaction cycle is directly related to the procurement process. In all cases, the purchase of goods and services follows the same process: order, receipt and payment. Once a requisition form is generated and approved, an official accounting record is established in the accounting system citing the document number of the requisitioner and other pertinent information. As the procurement process continues, additional government forms are generated. These forms represent the movement along the procurement process. The initial accounting record is then amended to reflect the current status of the order.

3. All transactions are processed through the same five phases; however, some transactions can be processed through combined phases. For example, when a local procurement is made via credit card and the items are receipted for at the time of purchase, the transaction will be recorded into the accounting system as a simultaneous commitment, obligation and expense.

4003. SOURCE DOCUMENTS. Source documents can be categorized as paper or electronic submissions used to accomplish a particular purpose. The electronic submissions are generated by the various mechanized supply systems within DoD and then interfaced with the accounting system to record the transaction. (See APPENDIX I for a list and description of U.S. Marine Corps supply systems.) A Funds Manager/Supply Clerk will establish a requirement at the source of supply (e.g., SASSY) and as the source accepts and fills or passes the requirement, that system will generate the source document that will later produce a commitment, obligation, expense, or a combination thereof in the accounting system. The paper submission for material or services requirement can be made through the use of several different types of forms. Some forms are standard across DoD, but others may be created locally by units within the U.S. Marine Corps. Forms are usually identified by a form title and an associated form number. For example, forms that are used throughout DoD begin with the designator "DD" or "SF" (Standard Form). "NAVCOMPT" or "NC" (Navy Comptroller) are also widely used. The NAVCOMPT forms are used exclusively within the DON. The following are examples of forms that are within the control of the fund manager, as well as descriptions of how they apply to the transaction cycle.

1. DD 1348 DoD Single Line Item Requisition System Document. The DD 1348 is used to requisition materials or services from federal sources. The DD 1348 can be used to commit and obligate funds. A Fund Code is used to identify the appropriation to be charged. The document uses a MILSTRIP document number. Instructions for the DD 1348 form are contained in Marine Corps Users Manual UM 4400.124.
2. DD 1149 Requisition and Invoice/Shipping Document. The DD 1149 is used to initiate the requisition of materials or services from federal and non-federal sources. The document will use both the MILSTRIP document number and the SDN. This form is used for commitment purposes.
3. Local Purchase Request Forms. Units desiring additional information in a request document can use locally generated purchase request forms. The forms must contain the required information that normally appears on the standard requisitioning forms. The locally produced forms are used to initiate a requisition of materials and services from both federal and non-federal sources. Local purchase request forms are commitment in nature and either an SDN or MILSTRIP document number can be used on the requisition.
4. DD 1155 Order for Supplies or Services. The DD 1155 is a multi-purpose form used throughout the DoD to document the legal, binding contract issued to a private business for providing goods or services to the government. The DD 1155 is an obligation document that can also be used as a receipt document if the receipt block has been signed. If the bottom left-hand blocks are complete, it is an expense document. If neither of these blocks is completed, the DD 1155 is always an obligation document. If additional space is required when completing the DD 1155, the SF 36 Continuation Sheet is used. The SF 1449 is phasing out the DD 1155. An example of a DD 1155 and instructions for its use can be found in the Marine Corps Purchasing Procedures Manual (MCO P4200.15G).
5. SF 1449 Solicitation/Contract/Order for Commercial Items. The SF 1449 is replacing the DD 1155. The form looks almost identical and serves the exact same purpose.
6. SF 30 Amendment of Solicitation/Modification of Contract. The SF 30 is used to amend or modify an existing DD 1155 or SF 1449 (i.e., obligating document). This form is commonly used to change price, quantity, color, etc. on the original contract. It is also used to cancel a contract in its entirety. Some changes, such as color or size, may not have a financial impact, while other modifications, or even a cancellation, will greatly affect a fund manager's account.

7. DD 250 Material Inspection and Receiving Report. The DD 250 is used to record the receipt of goods shipped by a commercial vendor to a government receiving point. For example, when a vendor ships goods to the government, the receiving point will verify receipt, inspect the goods to ensure they conform to the specifics of the contract and complete the DD 250 when goods are determined acceptable for government standards. The purpose of this form is to document the receipt of material and is therefore considered an expense document.
8. DD 448 Military Interdepartmental Purchase Request (MIPR). The DD 448 authorizes funds for an external command, outside the Department of the Navy, to perform work or services for the requesting command. For example, if a Marine unit is training at an Army base, the Marine unit will send funds to the Army Base comptroller with the DD 448 to fund work or services required by the Marine unit. An SDN with a DTC of MP is required on the document. DD 448 is always a commitment document because it documents the request to the external command to perform the services required. The external command has the option of accepting or declining the work request.
9. DD 448-2 Acceptance of MIPR. The DD 448-2 is the formal acceptance to the DD 448 used with other government agencies outside the DON. If the external agency decides to perform the requested work or services, the external agency will complete the DD 448-2 and forward the document to the requesting activity. Receipt of this document from the performing activity constitutes an obligation of funds from the requesting units accounts. The performing activity can choose whether to accept the funds on a direct cite or reimbursable basis by checking Block 6a or 6b.
10. NAVCOMPT 2275 Order for Work and Services. The NAVCOMPT 2275 is used to request reimbursable work or services from any components within the Department of the Navy. The form authorizes funds for an external command to perform work or services for the requesting command. For example, a Marine unit is training at a different Navy or Marine Corps base other than their own. The training unit will send funds to the external fiscal office or comptroller to perform work or services for the unit that is conducting the training. The NAVCOMPT 2275 requires an SDN with a DTC of WR. Prior to the acceptance by the performing activity, the NAVCOMPT 2275 is considered a commitment document to the requestor. Once signed and accepted by the performing activity the form becomes an obligation document.

11. NAVCOMPT 2276 Request for Contractual Procurement. The NAVCOMPT 2276 is used to request a contracting action for work or services that is known and specific in nature and contractually procured (e.g., large computer buys, laundry service contracts). This form can be a commitment or obligation document depending on whether funds were direct cited or were accepted on a cost reimbursement basis. If direct cited, the requesting activity must have a copy of the contract to support the obligation. If it is cost reimbursable, block 19 must be signed by the accepting activity. This form requires an SDN with a DTC of RC.

12. DD 282 DoD Printing Requisition/Order. The DD 282 is used to request printing/publication orders from the Navy or other DoD components. This form requires an SDN with a DTC of PT. Instructions for completing the DD Form 282 are contained in NAVPUBINST 5605.20. This form is considered a commitment form when it has been created but not approved. After the document has been approved and subsequently delivered to the printing office, it becomes an obligation document. This document could also become an expense document if the total amount of the order (i.e., actual cost) is written on the form after it has been returned with the order from the printing office.

13. DD 1556 Request and Authorization for Training. The DD 1556 is used to request and authorize payment or reimbursement for training classes for both civilians and military personnel. (Note that DOD memorandum of 25 September 1998 directs the purchase card be used as the method of payment for all training requests valued at or below \$25,000.) This form is considered a commitment form when it has been created but not approved. After the document has been approved, it becomes an obligation document.

14. SF 1164 Claim for Reimbursement for Expenditures on Official Business. The Standard Form 1164 is used to reimburse government employees for expenses they have incurred during the conduct of official government business. This form is usually used to reimburse employees for mileage when authorized to use a Privately Owned Vehicle (POV) for official government business. Since this form authorizes reimbursement, it is classified as a commitment, obligation and expense in one transaction. This form requires an SDN with a DTC of RV.

4004. SOURCE DOCUMENT FILES.

1. The responsibility for maintaining valid source document files belongs to the fund managers. The purpose is to substantiate information processed into the accounting system, satisfy audit requirements, and comply with document retention regulations. Source document files are also maintained to provide the user with information concerning all requisitions, orders, and miscellaneous adjustments affecting their funds that have been created and the status of those transactions in the accounting system. At a minimum, the three types of source document files that will be maintained are pending, posted, and completed. The number of source document files and their labels might vary at local activities, but the files will contain the following:

a. Pending Files. Pending files consist of all source documents that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation.

b. Posted Files. Posted files consist of all source documents that have had commitments, obligations, expenses, and/or partial liquidations processed and validated for accuracy in the accounting system.

c. Completed Files. Completed files consist of all source documents that have had commitments, obligations, expenses, and liquidations processed and validated for accuracy in the accounting system. The dollar values will all equal the liquidation amount and there are no other postings expected for the record.

2. The following is a description of the type of source documents that should be contained in the respective files for TDY and material and service transactions.

a. Travel Document Files.

(1) Pending File. Travel requests or orders that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation. Once the travel orders or requests have been verified in the accounting system, the requests will be moved to the posted file.

(2) Posted File. Travel orders produced using the travel subsystem or other systems, that have been verified as obligated in the accounting system, but have not been settled by the traveler. Once the settlement payment is recorded in the accounting system, the orders will be moved to the settled or completed file.

(3) Settled File. Travel orders with an outstanding Government Transportation Request (GTR) ULO and a final per diem settlement payment recorded and verified in the accounting system. Until the GTR payment portion is received and posted, the TDY document is not complete.

(4) Completed File. Travel orders that have had all phases of the transaction cycle completed. All payments have been received, both for entitlement settlement and GTR. This transaction has all money fields (i.e., commitment, obligation, expense, and payment) equal in the accounting system. If all money fields are not equal, the fund manager should adjust the record to bring the commitment, obligation, and expense into balance with the payments received and posted for personnel entitlements and GTR.

b. Material and Service Document Files.

(1) Pending File. All material and service type requirements (i.e., request for procurement actions, training requests, printing orders, contracts, etc.) that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation. Documents will remain in the pending file until recorded and verified in the accounting system.

(2) Commitment Posted File. All source documents that have been entered and verified in the accounting system as committed only.

(3) Obligation Posted File. All source documents that have been recorded and verified in the accounting system as committed and obligated.

(4) Expensed File. All documents that have been recorded and verified in the accounting system as committed, obligated, and expensed. Documents will remain in the received file until payments are recorded. If payment is partial, the source documents should be annotated and left in the received file until final payment is received. Once payment is recorded, the documents will be moved to the completed file. If the payment received is final, but the commitment, obligation, or expense field does not equal the payment, the fund manager should enter the appropriate entries to make the adjustments equal to the amount of the payment.

(5) Completed File. All documents that have had all phases of the transaction cycle completed. The material or services ordered were received, payment has been recorded, and all amount fields equal in the accounting system.

4005. Document Retention Requirements.

1. Within the federal government, the National Archives and Records Administration (NARA) is responsible for promulgating procedures for the management and disposition of federal records. Specific records disposal guidance is contained in the General Records Schedules (GRS) and is available at: <http://ardor.nara.gov/grs/index.html>.

2. In accordance with DODFMR Volume 1, Chapter 9, all financial records, both paper and electronic, documenting the acquisition of DoD Property, Plant and Equipment (PP&E), materials and supplies, including cash, fixed and other assets, real and personal property, operating materials and supplies, stockpile materials, and National Defense PP&E, services, military and civilian pay, and other financial transactions shall be maintained for a period of at least 6 years and 3 months or longer if compelling reasons exist or supplemental guidance directs. An example of supplemental guidance is the requirement that Foreign Military Sales documents and financial records be retained for 10 years from the date of case closure, as contained in DODFMR Volume 15, Chapter 6.

CHAPTER 5

TRANSACTION PROCESSING AND RECONCILIATION

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CHAPTER 5

TRANSACTION PROCESSING AND RECONCILIATION

5000. GENERAL. The accounting system maintains a record of all transactions that have occurred. This chapter will provide the fund manager with the information necessary to record transactions in the accounting system, monitor source documents, reconcile source documents with the official accounting records, and maintain current fund balances available to ensure future purchases do not create a violation in funds execution.

5001. TRANSACTION RECORDING PROCESS. The transaction recording process is the process whereby official accounting records are created and updated in the accounting system. All entries should be recorded in the accounting system within three working days of the transaction and must be supported by a source document that accurately reflects the proper transaction cycle stage of each unique document number (i.e., initiation, commitment, obligation, expense, liquidation, or a combination thereof). The basis of the transaction recording process is supported by various common source documents.

5002. KEY ACCOUNTING SYSTEM REPORTS FOR TRANSACTION VALIDATION AND CYCLIC RECONCILIATION.

1. Universally after each accounting cycle, the accounting system produces several key reports that are essential for funds control and source document reconciliation. (See APPENDIX J for instruction on how to access reports in INFOPAC and APPENDIX K for list of key accounting reports available through INFOPAC.) These official reports are produced utilizing information from both the transaction and summary files of the accounting system and represent manual and interfaced input. The reports are categorized as follows:

a. Budget Execution Reports. Fund management reports that provide the status of a fund manager's account for each fiscal year. The reports contain authorization, commitment, obligation, expense, and liquidation information by various categories. These reports are cumulative-to-date by fiscal year.

b. Material and Services Reports. Transaction reports that consist of all transactions entered into accounting system, whether manually updated or interfaced, for a given accounting cycle. Error Reports will show transactions that failed to process for one reason or another. Transaction Update Reports will reflect new or changed commitment, obligation, expense, and liquidation information affecting a specific source transaction.

c. Travel Reports. Transaction reports that consist of both new or previously posted travel records as well as travel advances taken. A travel report can be cyclic or cumulative and contains both traveler information and the status of travel orders.

5003. MONITORING SOURCE DOCUMENTS. Fund managers are required to monitor each source document created from cradle to grave and ensure that the corresponding step of the transaction cycle is recorded in the accounting system. To successfully monitor source documents, fund managers must ensure that the following actions have been accomplished for each event of the transaction process:

1. Document or Requisition Creation.

a. Ensure that the request to obtain material, services, TDY orders, etc. has been prepared.

b. Ensure that the source document contains all appropriate financial codes, to include a valid document number, financial information pointer, and accounting classification code if applicable.

c. Ensure that the request has been forwarded to the appropriate action office (i.e., supply, administration, training, contracting, etc.) to begin the obligation action to obtain the materials, services, or TDY orders.

d. Ensure that a copy of the request has been received and retained for the fiscal files.

e. Ensure that the transaction has been entered into the accounting system as a commitment.

f. Ensure that the obligation document (i.e., purchase order, contract, etc.) has been received. If the obligation document has not been received, determine the age of the request. Contact the appropriate action office to determine the status on the official obligation action and source document. It is imperative that follow-up action is performed to ensure that the actual obligation action has occurred.

2. Obligation Document Received.

a. Ensure that the obligation has been entered into the accounting system and that the update cycle has been reconciled. Obligations requiring manual input by fund managers into the accounting system must be keyed within three working days.

b. Ensure that the obligation source document has been filed in the appropriate memorandum files.

c. Ensure that the ordered material, services, or travel have been received or performed. If the order has not been received or the travel not performed, determine the age of the obligation action, and whether or not delivery of material or services should have been reasonably expected to occur. If delivery has not occurred, contact the obligation source (i.e., supply, contracting, printing office, etc.) to determine the status of the order.

3. Ordered Goods and Services Received.

a. Ensure that the material or services received are what was ordered and in the quantity ordered.

b. Ensure that an expense has been entered into the accounting system.

c. Ensure that a copy of the shipping report or invoice has been filed in the appropriate source document file.

4. Payment Processed in the Accounting System.

a. Ensure that a payment, either partial or final, has been received or posted into the accounting system against the document. If the payment has not been received or posted, determine the age of the receipt of the ordered goods and services. Determine if it is reasonable to expect a payment to be posted by this time. Ensure that the MAO has been contacted to see if the payment is in an unmatched disbursements status in the accounting system. Ensure that DFAS has been contacted concerning public vouchers submitted for payment. For mechanized supply status, ensure that a request for billing has been processed.

b. Determine if the payment is final or partial.

(1) If the payment is partial, ensure that the accounting system did not adjust the commitment, obligation, or expense amounts to equal the payment. If the accounting system has made the adjustment, ensure that all delivery orders or services have been received. If delivery orders or services have been received, then the transaction is complete. If not, ensure that the fund manager has manually reinstated the appropriate valid undelivered commitment, obligation, or expense amount.

(2) If the payment is final, ensure that the accounting system has adjusted the commitment, obligation, and expense amounts to equal the payment. If the accounting system has not made the adjustment, ensure that the fund manager has entered the appropriate transaction into the accounting system to adjust the amount fields to equal the payment.

c. If the transaction is complete, ensure that the appropriate source documents have been moved to a completed source document file.

5004. TRANSACTION RECONCILIATION. A cyclic reconciliation of all transactions posted to the accounting system is performed to ensure the accuracy of fiscal codes and amounts and the completeness of the data that should have processed. A cyclic reconciliation also reaffirms the fund manager's official status of funds by confirming the accounting system has properly processed the data. Fund managers will accomplish transaction reconciliation after each accounting cycle as feasible.

1. The accounting system produces accounting reports after each accounting cycle that fund managers, work centers and other financial managers use to validate transactions recorded in the accounting system. These reports are snapshots of balances, files, errors, records, etc. that must be reviewed and validated to ensure the accuracy of the official accounting records. Source documents are the key to validating the accounting system and they are reconciled against the accounting system's reports to ensure the information in the accounting system matches the information on the source documents. When there is an error, the fund manager must correct the accounting system to match the source document.

2. The reports generated by the accounting system are used to reconcile financial transactions processed into the system after each accounting cycle update. Even if the fund manager did not have manual input into the accounting system, the cycle reports need to be reviewed to reconcile financial transactions posted from external system interfaces. The following general steps should be followed in the transaction reconciliation process:

a. Verify Commitments.

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that the data in the accounting system has been posted correctly.

(2) Research discrepancies between source documents and accounting system entries.

(3) Adjust the accounting system entry as required to reflect correct financial data.

b. Verify Obligations.

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that the data in the accounting system has been posted correctly.

(2) Research discrepancies between source documents and accounting entries.

(3) If errors on the obligation document are found, ensure corrective action is taken at the issuing activity.

(4) If an accounting transaction is in error when compared to the obligating document, adjust the effected entry accordingly.

(5) Adjust source documents as required to reflect corrected financial data or balances.

c. Verify Expenses.

(1) Compare document numbers, amounts, and other financial data in the accounting system against the source documents to verify that the data in the accounting system has been posted correctly.

(2) Research discrepancies. Variances are usually caused by keypunch errors when expense information was entered.

(3) Take appropriate corrective action to the accounting system and/or source documents.

d. Verify Liquidations.

(1) Compare document numbers, amounts, and other financial data in the accounting system against the receipt document invoice to verify that the data in the accounting system has been posted correctly.

(2) Ensure obligation amount in the accounting system is equal to liquidation if a final payment. Adjust the obligation as required.

(3) Ensure sufficient obligation is posted to process pending liquidations. Validate and adjust the obligation as required.

3. Special Considerations During Reconciliation. Several factors may change obligation amounts during the course of the year or life of the contract. Fund managers should be aware that prices can change, units of issue can change, ordered items can be substituted with other National Stock Numbers (NSN's), and purchase orders and contracts can have hidden fees (e.g., shipping costs, percentage ranges, etc.) that were not considered or known when the document was initially obligated. As a result, fund managers should be diligent when validating source documents to ensure transportation costs, price increases, late payment charges, and other miscellaneous adjustments to obligations are posted in the accounting system. These adjustments are normally increases to the obligation amount originally posted. Further, if a document has been cancelled by the source of supply, contracting office, or TDY order writing section, the fund manager must ensure that the corresponding document/obligation in the accounting system is cancelled.

5005. FUND BALANCE VERIFICATION.

1. Memorandum Records are created and maintained to provide fund managers with actual fund balances. The accounting system is a real-time system for online entry, but input from mechanized interfaces (i.e., travel, reimbursables, expenditures and collections, etc.) is only updated during a scheduled accounting cycle. Manual fund balances must be maintained by the fund manager to ensure that allotted funds are not over-obligated.

2. Manual fund balances are maintained using the last accounting system cycle available balances and subtracting from these amounts any financial transactions that the fund manager has created that have not yet posted in the accounting system.

3. Current fund balances should be maintained for both commitments and obligations. Locally developed forms or programs will be used to maintain the current commitment and obligation available balances. The formula below shows how to determine the available obligation balance:

$$\begin{array}{r}
 \text{Available uncommitted balance (as of last} \\
 \text{accounting cycle)} \\
 - \quad \text{Pending transactions} \\
 +/ \quad \text{Corrections to commitment amounts required} \\
 - \quad \text{from the cycle reconciliation} \\
 \hline
 \text{Current funds available for new obligations}
 \end{array}$$

4. Fund managers must take corrective action on erroneous postings (i.e., amount less or more in the accounting system than reflected on the obligating document, duplicate postings of obligated amount, etc.) discovered during cycle reconciliation, and ensure that these corrections are posted in the accounting system prior to the next cycle update. Failure to do this will result in distorted available balances.

5006. ERROR CORRECTION PROCESS. Transactions posted to the accounting system via an interface go through various internal edit checks prior to posting. Those transactions that do not meet the edit check criteria will process to various error reports (i.e., Spending Error Transaction Report, Common Interface File Errors). The accounting system will assign error codes to those transactions that fail the edit checks when processed. Below are some of the most common errors that may be encountered, and how to properly correct them:

1. Invalid Fiscal Data Elements. This error occurs when fiscal data elements are not loaded or are incorrectly loaded to tables in the accounting system. The error codes assigned to the applicable transaction will determine the table(s) that require updating or correction. Depending on the type of table (i.e., local or central), table loading and correction is a function of the comptroller, or HQMC (RFL) and DFAS, respectively.

2. Incorrect Transaction Entry. When the transaction is entered incorrectly by the source of supply (i.e., contracting, SASSY, etc.). The error codes will identify which field in the error record needs correction.

3. All Other Errors. In the case where an error has occurred and the code(s) assigned does not clearly identify the exact problem, or the fund manager cannot correct the error, the comptroller or DFAS should be contacted.

CHAPTER 6

REIMBURSABLE ORDERS

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CHAPTER 6

REIMBURSABLE ORDERS

6000. GENERAL. DOD activities may furnish the sale of material, work, and services to other DoD components or public sources on a reimbursable basis pursuant to public laws and DOD policies. There are two types of reimbursable orders: economy act orders and project orders, which can further be broken down into funded or unfunded reimbursables. This chapter details the procedures for: accepting reimbursable orders, recording the authority and transactions for the reimbursables, monitoring reimbursable orders, and accomplishing year-end closing of the orders.

6001. REIMBURSABLES.

1. A reimbursable order or authorization is normally a written agreement between two federal agencies or one federal agency and a private party (i.e., Memorandum of Understanding (MOU)/Memorandum of Agreement (MOA)) wherein goods or services are provided in exchange for payment. If an MOU/MOA has been negotiated between activities, the performer is bound by the agreement. Current MOA's and MOU's are maintained within the Comptroller Department.

2. When a request for work or service is not covered by an MOU/MOA, determination must be made as to the cost effectiveness of accepting and administratively tracking the request during the performance of work. It is not normally cost effective to accept a work request in an amount less than \$2,000 from another government agency (e.g., a one time street sweeping effort for \$250). DoD 7000.14-R DODFMR, Volume 11A contains regulation requirements for reimbursables.

3. The DODFMR, Volume 3, Chapter 15 discusses the administrative control of appropriations and states that reimbursements shall not be considered budgetary resources available for obligation unless:

- a. valid orders, including written agreements, have been received;
- b. goods and services have been furnished and there is entitlement to payment; or
- c. in the case of orders from the public, advance payment has been made.

4. Reimbursable orders will involve two parties, a performer and a customer.

a. Performer. The agency that accepts the request to perform the work or service in exchange for payment is referred to as the performer. The performer charges the reimbursable order for the required labor, material, travel, etc. necessary to fulfill the accepted agreement. The performer then bills to recover the amount of funds they have expended in support of the customer. The transfer of funds through the billing process is called reimbursement of funds.

b. Customer. The activity that requests the work or services to be provided is referred to as the customer. The customer is the activity that will ultimately reimburse the performer for goods and services.

6002. TYPES OF REIMBURSABLE ORDERS. There are two types of reimbursable orders, Economy Act Orders and Project Orders. When establishing the RON in the accounting system, it should be identified as either Economy Act or Project Order.

1. Economy Act Orders. This order is used for work or services of a normal or recurring nature (e.g., utility support, administrative support, janitorial support, etc.). Funds are normally authorized on a quarterly basis with funds available for new obligations only during the current fiscal year. An Economy Act Order is also referred to as a "Work Request

2. Project Orders. This order is used for work or services with long completion times or for non-recurring types of work. Typical work requested with a Project Order would be a construction project. Project Orders normally contain a date or time frame when the work is estimated to be completed. This may carry over to more than one fiscal year. The funds authorized in the Project Order are valid for incurring new obligations through the life of the order, regardless of fiscal year. The accounting system, through the year-end process and fiscal year opening procedures, will bring forward the unobligated amount of the Project Order for use in the new fiscal year. Billings created by the accounting system will still charge the original fiscal year cited on the Project Order regardless of the year of execution.

a. Ability to Perform. Project orders should only be issued to those DoD organizations capable of substantially performing the work ordered. Substantially, as used in this paragraph, means that the project order recipient should incur costs of not less than 51% of the total costs attributable to rendering the work or services ordered. Total costs to render the work or services ordered include the costs of goods or services obtained from or provided by contractors.

3. Collections related to reimbursable sales are classified as funded or unfunded reimbursables dependent on the appropriation involved and the ability of the performing activity to re-obligate funds collected without prior apportionment and allocation action by the Office of Management and Budget (OMB) and the Comptroller of the Navy, respectively.

a. Funded Reimbursables. Funded reimbursables result from acceptance of customer orders that are authorized to the performing activity for re-obligation. Costs incurred by the performing activity are charged to the station's operation and maintenance operating budget and billed to and collected from the fund citation on the order. OMB has authorized automatic apportionment for accounts cited in DODFMR Volume 3, Chapter 2, 020602.

b. Unfunded Reimbursables. Reimbursable transactions not supported by a specific order are commonly called unfunded reimbursables. Automatic increases to operating budgets are not authorized for unfunded reimbursable work performed unless specifically provided in the fund authorization. Unfunded reimbursables will be accounted for within the direct program. (See APPENDIX L for some of the specific unfunded programs executed at the field level.)

6003. ACCEPTING REIMBURSABLES FOR FUNDED ORDERS.

1. Upon receipt of a request for reimbursable work or service, the designated accepting official must determine whether the command can perform the work requested, the feasibility of accepting or rejecting the request, or request direct cite authority. The key criterion for accepting a reimbursable is whether or not 51% of the work will be performed in-house.

2. The performer accepts the request by returning a signed copy of the request to the customer annotated with the RON and RBC that will be used to track the charges. Should the performer not be able to accommodate the goods or services, the request will be denied and returned to the customer.

3. Wherever possible, multiple requests from the same activity should be combined under one RON with multiple RBC's when the customer appropriation data remains the same (i.e., Department Code, fiscal year, treasury symbol, subhead, BCN and AAA).

4. If the customer is a private party, a deposit is required and will be recorded as a pre-deposit amount in the accounting records.
5. The performer must enter this accepted agreement as a reimbursable authorization into the accounting system. The designated accepting official will establish the accounting codes to track costs incurred. These codes consist of a RON and RBC, which are part of the FIP.

6004. RECORDING REIMBURSABLE AUTHORITY.

1. Once the funded reimbursable order is accepted, a reimbursable record or profile must be created in the accounting system before any work can begin. The designated accepting official is responsible for creating the reimbursable record in the accounting system. The record will contain the performer's fiscal year, reimbursable order number, reimbursable source code, and fund code. The following customer's information, which is located on the request for work or services, is required: the customer's billing address, line of accounting, amount authorized, and funds expiration date. Special attention should be given to correctly keying the customer's BCN and AAA. There are instances when the customer requests that multiple categories be identified on the bill. To accommodate multiple categories on a bill, the performer must establish separate RBC's and a separate ACRN for each category.

2. RSC's are used to identify sources of funded or unfunded reimbursements. It is important to assign the proper code as the RSC serves two purposes: proper recording of collections to the US Treasury, and appropriate postings to the general ledger accounts in the accounting system. The one-digit RSC must be entered as the third digit of the object class field in the performer's line of accounting classification on reimbursement vouchers. When establishing a new reimbursable order in the accounting system the RSC must be entered on the initial screen to establish or amend reimbursable work orders.

3. RSC 6 is used for private parties. Private parties are required to pay an additional surcharge for use of any government assets. This RSC tells the accounting system to apply a surcharge to the customer and places an additional line of accounting on the customer's bill that will collect the surcharge into a special receipts appropriation. DoD 7000.14-R DODFMR, Volume 11 contains additional information on charges to private parties. RSC M is used exclusively for Marine Corps Community Services. RSC M tells the accounting system that no customer line of accounting will be present and not to assess a surcharge. (See APPENDIX E for a complete list of RSC's.)

4. For unfunded orders, HQMC distributes unfunded authority to commands via the funds distribution process of the accounting system.

6005. RECORDING REIMBURSABLE TRANSACTIONS FOR FUNDED AND UNFUNDED ORDERS.

1. Once a reimbursable record is established, the fund manager who will execute the order needs to be informed of the RON, RBC's, and the amount authorized for work. The fund manager will create new data elements using the RON and RBC's. These data elements will be used on all material orders, travel, or labor usage pertaining to accomplishing the work or service requested in the reimbursable order.

2. The procedures for processing direct transactions outlined in Chapters 4 and 5 are applicable to the recording of reimbursable transactions. Reimbursable transactions are processed in the same manner as direct transactions except the FIP must contain a RON and RBC. The customer's appropriation data will not be used on any source document for a spending transaction. Funds cannot be obligated in excess of the amount authorized without prior approval of the accepting official and the customer.

3. It is imperative that receipts be posted promptly in the spending system for a reimbursable because expenses generate the bills to the customer. Failure to record expenses (i.e., receipt of supplies or performance of work) results in failure to bill the customer.

4. Reimbursable and direct authorizations cannot be combined. They must be accounted for separately. Consequently, separate files must be kept for direct and reimbursable transactions.

6006. CUSTOMER BILLING. Reimbursable customers are billed based on expenses processed into the accounting system. The bills may be automatically created or manually prepared depending on the appropriation used to perform the work.

1. Treasury Symbols 1106/1107.

a. As part of the monthly closeout process, the accounting system produces a trial bill report. The trial bill report reflects both planned bills and bills that are placed in a hold status due to insufficient available authority or the amount to be billed is less than \$100.00 (it is not cost effective to process bills less than \$100.00). Following the production of the trial bill report, the actual customer bills are produced and processed for payment by DFAS-KC or forwarded to the customer for certification and payment. The MAO may review the trial bill report prior to the production of actual customer bills and has the ability to override the accounting system by manually releasing or placing bills in a hold status. Planned credit bills should be placed on hold until additional research can be performed to determine the validity of the refund. Bills placed on hold by the accounting system can be manually released anytime after the monthly closeout is completed.

b. The bill generated by the accounting system will produce a 5-digit bill number that will be used to create the document number under which the collection will be processed. For example, if the major activity code is M00263 and the bill number is 00123, the collection voucher will be processed as document number M0026300CV00123. The first digit of the bill number will indicate the fiscal year in which the bill was created. The customer's payment voucher will be processed as the document number recorded in the RON as customer information.

c. Private parties that have been recorded with pre-deposits will not be billed until expenses have been incurred that exceed the pre-deposit amount.

d. The system does not generate a bill for certain unfunded reimbursable programs, as the funds for these programs are collected in advance of performance.

2. All Other Treasury Symbols. For treasury symbols other than 1106/1107, manual bills must be created and forwarded to the customer for certification and subsequent processing by DFAS.

6007. MONITORING REIMBURSABLE ORDERS.

1. The status of reimbursable orders accepted by the command (as opposed to spending transactions) can be reviewed in several on-line inquiries and batch reports. The same obligation, validation, reconciling and reporting requirements that apply to direct spending documents also apply to reimbursable transactions.

2. The accounting system produces reports at the budget execution level and summary reports at the WORK-CTR-ID (Major Activity) level. (See APPENDIX K for a list of key reports available through the accounting system.) Common reports reviewed at the fund manager level are:

a. Funded Reimbursable Fund Administrator Management Report. This report will provide the total of funded reimbursable orders accepted and being executed by a fund manager. The report provides authorizations, reservations, obligations, expenses, and liquidations to date, broken down by object class/sub-object class codes.

b. Unfunded Reimbursable Fund Administrator Management Report. This report will provide the total of unfunded reimbursable orders accepted and being executed by a fund manager. The report provides authorizations, reservations, obligations, expenses, and liquidations to date, broken down by object class/sub object class codes.

c. Field Funded Reimbursable Detail Planning and Performance Report. This report will provide reservation, obligation, expense, and liquidation information for each reimbursable order accepted and executed by fund managers and work centers. Program element, object class, cost account code, and activity group provide execution information. Figures shown on this report are cumulative to date.

3. Common reports at the WORK-CTR-ID level most often used by the accepting official (i.e., comptroller) are:

a. Reimbursable Order Report for Current Cycle (RR5).

b. Reimbursable Source Code Summary Report (RR2A).

c. Customer Analysis Report (RR7).

d. Status of Reimbursable Orders (RR9).

4. Accepting officials must ensure collections are being recorded timely and accurately. Close coordination with DFAS is mandatory when over aged bills exist. Reimbursable bill collections are processed as register 13 (i.e., funded) and register 14 (i.e., unfunded). The document number described in paragraph 6005.5 is the primary field used by the accounting system to match collections to outstanding reimbursable bills.

5. Reimbursable order status reports are produced by the accounting system and must be printed and mailed to the customer at least quarterly, and monthly in the fourth quarter by DFAS-KC.

6008. SOURCE DOCUMENT FILES FOR REIMBURSABLE ORDERS.

1. The designated accepting official must maintain source document files for each accepted reimbursable order. The file should contain at a minimum, all original reimbursable requests, acceptances, and amendments. In addition, a listing reflecting the RON, all RBC's and BEA's assigned authority within the reimbursable order should be maintained in the file. Source documents for reimbursable spending transactions must be maintained by the performing fund manager.

2. A spreadsheet should be maintained to include all RON's assigned, customer's name, and total dollars authorized. This spreadsheet should then be balanced at least monthly to budget execution, reimbursable orders reports, and the general ledger by both funded and unfunded programs.

6009. YEAR-END CLOSING FOR REIMBURSABLE ORDERS.

1. The performing activities should ensure that the following year-end closing actions are completed:

a. Ensure all reimbursable order records are accurate and reflect the current status of valid obligations and accrued costs.

b. Notify the issuing activities (i.e., the customer) of any excess fund availability prior to 15 August.

c. By 15 August, record in the accounting system all pertinent expenses to reimbursable orders for appropriations that will expire on 30 September so that these expenses are reflected on the August reimbursable customer billing and will be collected in September.

d. Archive all RON's where the authority, obligations, expenses, billed and collected, are equal after receiving confirmation from the BEA that all work is complete.

e. Establish unfunded RON's (e.g., FTP, RMD, AGR, SIS, etc.) for the upcoming fiscal year in the accounting system so that initial authorization transactions processed by HQMC will be recorded.

f. Establish all RON's that have civilian labor costs (e.g., family housing) for the upcoming fiscal year in the accounting system to ensure a smooth transition and posting of initial labor expenses. It is not necessary to have the customer's document number or an authorized amount to accomplish these pre-loads.

2. The accounting system will automatically reduce the available balance for all Economy Act Orders with a funds expiration date of 30 September down to the amount obligated. Subsequent authority adjustments back up to the amount of the customer's work request can be processed after the close of the fiscal year, if necessary.

6010. OTHER IMPORTANT INFORMATION.

1. The customer's appropriation data must not be used on any source document for a reimbursable spending transaction. To ensure this does not occur, the accepting official must hold the customer's work request.
2. Reimbursable orders must be reviewed monthly at a minimum, utilizing the reports identified in paragraph 6007. It should be noted that these reports are not fund manager specific, unless one fund manager is executing the reimbursable order. The accepting official and fund managers should perform these reviews.
3. It is the policy of HQMC that the Family Housing Appropriation is established as a reimbursable. The command's fund managers for these allotments must provide a Request for Work or Service equal to the authorization received on the allotment appropriation. This document is accepted in the same manner as other reimbursable requests. All spending documents must then be executed as reimbursable. Assignment of RON's should be based on the budget projects required under the allotment.
4. Base Realignment and Closure (BRAC) funding is issued as multiyear. BRAC funds should be loaded into the accounting system as Project Orders. The accounting system will adjust the authorization at year-end and post any available balance in the new fiscal year as authority.
5. Many reimbursable bills cannot be processed by DFAS because the appropriation data was keyed incorrectly into the accounting system. When processing appropriations for other services, ensure the lines of accounting are input into the appropriate fields. Visit the web site <http://www.dfas.mil/library/dacc.pdf> to properly identify the DoD crosswalk between appropriations.
6. Requests for Contractual Procurement (RCP) [NAVCOMPT 2276](#), must be forwarded to Command contracting officers for acceptance. These are direct fund cite documents that can only be accepted by officials holding Contract Warrants.
7. Issuing requests for work or service to another Command is not considered a reimbursable for the issuing command.

CHAPTER 7

CIVILIAN LABOR

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CHAPTER 7

CIVILIAN LABOR

7000. GENERAL. Civilian labor is normally the single, largest type of cost for bases and stations. The costs associated with labor are broken down into two categories. The first is the basic pay with other pay entitlements (i.e., overtime, shift, etc.) and is categorized as Object Class 11. The second is fringe benefits (i.e., the government's share of retirement, FICA, health benefits, etc.) and is categorized as Object Class 12. This chapter explains the requirements for processing civilian labor.

7001. LABOR FUNCTIONS.

1. There are two separate operations that are performed to account and keep track of labor hours and costs concerning civilian employees. The first operation is time and attendance and is performed primarily for payroll purposes. The second operation is labor distribution.

a. Time and Attendance. Time and attendance is the function that accounts for an employee's time and is required to ensure that the employee is properly paid for their work. Time and attendance information is manually entered into the Defense Civilian Pay System (DCPS) or into the Standard Labor Data Collection and Distribution Application (SLDCADA) system, which will automatically feed DCPS.

b. Labor Distribution. Labor distribution is a cost accounting function that ensures that the costs associated with civilian labor are properly charged within the accounting system. Labor distribution is done in two steps. The first step is the creation of the default labor hours and dollars to record the obligation to the accounting system at the beginning of each week. The second step is the creation of bi-weekly reconciliation which adjusts the OC11 to match the actuals for the pay period and is processed after the payroll (i.e., DCPS) has been completed.

(1) The accounting system processing schedule includes a weekly job titled "Default Labor" and will produce one week (or less if it is the first or last week of the month) of labor hours and costs based on the information contained in the Labor Personnel File.

(2) The accounting system Labor Personnel File contains a record for each civilian employee. Each record contains the employee's name, work schedule by day and week for a complete pay period, the employee's grade, and hourly rate. For example, if an employee only works part-time 4 hours per day, the work schedule on this record would indicate only those hours per day). The

employee's default (home) FIP is also contained in this record and is used to post the default hours and dollars that the system generates. This file must be kept up to date to ensure the correct labor hours and dollars per pay period are recorded. If an employee is on leave without pay, or transfers or separates from the command, zero out the work hours scheduled on the Labor Personnel File. This will ensure that an over obligation is not made at the end of each month or during the fiscal year closeout.

2. The accounting system has several tables that execute and process civilian labor. (See APPENDIX M for a list of accounting system labor tables that are maintained by the comptroller's office.)

7002. LABOR EXCEPTION PROCESSING.

1. Through the labor exception process, the costs of civilian labor can be charged to several functions or jobs, hours and costs charged to reimbursable customers, and to collect costs for management purposes through the use of FIP's. Labor exceptions are variations or changes that need to be made to the default FIP (e.g., an employee who performs work to be charged to a FIP other than the home FIP). The three types of labor exceptions are pay, leave and cost.

2. If there are no labor exceptions processed into the accounting system for the pay cycle, all hours and dollars are applied against the default FIP assigned to the individual on the Labor Personnel File.

3. Pay, leave, and cost exceptions between direct and reimbursable FIP's must be entered through DCPS or SLDCADA. Cost exceptions within direct or reimbursable execution can be entered through the accounting system.

7003. BI-WEEKLY RECONCILIATION.

1. As a pay period ends and employees are paid, DFAS-KC executes a Bi-Weekly Reconciliation process that reconciles the gross paid labor and Master Employee Records from DCPS against the recorded default labor and personnel file of the accounting system. This process takes a dataset from DCPS and adjusts the paid labor (i.e., OC11) for each employee within the accounting system to match the payroll. During this process, the Error Report, the Gross Pay and Reconciliation Payroll Report, and the NAVCOMPT 2051 Labor Roll are created.

2. The Bi-Weekly Reconciliation will not adjust the fringe acceleration that has posted with the default labor so procedures will need to be in place to monitor the cumulative acceleration and post adjustments as necessary.

3. There is a table within DCPS that maintains the leave FIP's for each Organization Code. When the Bi-weekly Reconciliation is run, leave used will be charged to the FIP's on this table. Care should be taken to ensure that the correct FIP chargeable for the employee is loaded to this table.

4. After both weeks of the default labor has processed, the accounting system executes and processes the DCPS labor pay and leave exceptions, and will create the "Labor Exceptions Not Processed" error report. This job also processes the Master Employee Records file and updates the accounting system personnel file accordingly.

5. Also, Facility Equipment Management (FEM) is used by some commands in the facilities sections to record labor distribution. A dataset is created from FEM bi-weekly and pulled into grosspay process and updates the accounting system with labor distribution exceptions.

7004. PAYMENT OF LABOR.

1. The payment of labor is done with the NAVCOMPT 2051 Labor Roll which uses the DTC's identified in APPENDIX C. There will be only one set of document numbers per subhead. The document number is assigned by adding the Pay Period Ending Date. After the Bi-Weekly Reconciliation is accomplished, there are two reports from the INFOPAC report management system that must be printed:

a. Gross Pay/Reconciliation Payroll Report (L150). This report provides a breakdown of the actual payroll amounts for the pay period when the dataset is pulled into the accounting system.

b. NAVCOMPT 2051 Labor Roll (L140). This is used to accomplish the payment of labor.

2. Compare the totals for both reports to ensure that the payment voucher is in agreement. This cannot be done at the BEA level as both of these reports reflects the total payroll at the major activity level.

3. Both of these reports must be retained for a total of six years, including the current year plus the five years that the appropriation remains open for adjustments.

7005. LABOR ADJUSTMENT PROCESS/ERROR CORRECTIONS.

1. After the Bi-Weekly Reconciliation process has been performed, a check needs to be performed to determine if any labor adjustments or error corrections need to be made. The Processing Messages and Records Not Processed (Errors) report from the INFOPAC report management system will relay whether any errors have occurred. If the labor personnel file has been maintained properly, the only errors that should occur on this report will be new employees. Any errors must be corrected prior to the next bi-weekly process and should be accomplished using the following steps:

- a. Check the error to determine what actions are required to make the corrections.
- b. Post the corrections in the labor adjustment process component of the labor subsystem in the accounting system.

NOTE: This is the same process used for posting the Fringe Acceleration adjustment.

2. After the next accounting system weekly cycle is run, the On-Line Adjustment Recap report will be available in the INFOPAC report management system. This report should be checked to ensure that all posted corrections have been added to the accounting system.

7006. LABOR REPORTS. The accounting system produces several reports containing labor execution, exception, and labor personnel file information. These reports require monitoring and verification to ensure the proper posting of labor execution information into the system. (See APPENDIX K for a complete list of reports available through the accounting system.)

7007. YEAR-TO-DATE LABOR.

1. In order to project the acceleration rates and to balance the obligations within the accounting system, it is necessary to create a labor report to accumulate the year-to-date actual payroll. The report needs to track by OC11 and OC12 separately, and should also provide a cumulative total of the two codes.

2. By adding in a monthly subtotal to the spreadsheet created, this report can be used to balance the Civilian Payroll Resource Reporting System (CPRRS)/ Work Years Personnel Cost (WYPC) reports. It should be noted that the WYPC is scheduled to replace the CPRRS. With the exception of the September and October reports, each month report will only contain the full pay periods that end within the month.

a. The September report will include the partial pay period that ends with the last day of the fiscal year (i.e., 30 September).

b. The October report will include the partial pay period that begins with the first day of the fiscal year (i.e., 01 October).

7008. YEAR-END PROCEDURES.

1. During the first week of September, the accounting system will process the default labor for the entire month. If the Labor Personnel File has been properly maintained, the number of adjustments that need to be made will be minimal.

2. If the hourly amount, hours worked or other adjustments are necessary, they can only be posted to the accounting system for the current pay period, after the Bi-Weekly Reconciliation process for the previous pay period has been run.

7009. LABOR ACCELERATION. The amount of money that a civilian is actually paid represents only a portion of the liability of the government. For example, since civil servants may accrue up to 30 days of leave for which they must be paid if they retire or leave government service, then the government must set aside funds to provide for this eventuality. Also the government must provide for its share of fringe benefits (i.e., insurance, health benefits, social security, etc.). For these reasons labor charges must be increased or accelerated to provide for these liabilities.

1. Acceleration of Fringe Benefits and Leave. The accounting system takes the cost for personnel compensation posted in the system and multiplies the amount by an established rate. This rate increases or accelerates the amount of labor cost recorded in the accounting system to account for the government's cost of fringe benefits and for the government's future liability incurred for each civilian's leave accumulation.

a. The acceleration rate is the process by which the accounting system will allocate the fringe and leave costs to the working FIP's. For example, in order to determine what labor costs were for the Budget Office, the following would be required: the regular amount, other pay, fringe benefits, and leave used. Without acceleration, the only costs charged to a FIP for the Budget Office would be the regular and other pay, as leave and fringe would be charged to a different FIP with a CAC of 1X50 (i.e., fringe) or 1RH0 (i.e., annual and sick leave).

b. The acceleration rate is developed locally and should remain the same for the entire year. However, the acceleration rate is based on estimates of leave usage and therefore may need to be changed throughout the year. Once established, the rates must be added to the accounting system for each fund code. Since the accounting system does not apply the rate to each BEA, the quickest method is to establish a single rate for all civilian labor, regardless of the FC. This will result in more adjustments throughout the year, but these adjustment are already necessary for reimbursable customers.

c. The following formulas should be used as a guideline to develop the acceleration rate:

$$\frac{B + C}{A} = \text{Locally developed acceleration rate (i.e., total for both leave \& fringe)}$$

$$\frac{B}{B + C} \times 100 = \text{Percentage of total labor acceleration applicable to leave}$$

$$\frac{C}{B + C} \times 100 = \text{Percentage of total labor acceleration applicable to fringe benefits}$$

where:

- A = Total civilian payroll based on fiscal year estimates or past experience. This includes COLA, the straight time portion of all overtime, and the premium portion of all holiday work. Exclude the premium portion of overtime, all leave, incentive awards, and compensatory time worked.
- B = Total of all leave based on fiscal year estimates or past experience.
- C = Total fringe benefits (i.e., retirements, life insurance, health, social security) based on fiscal year estimates or past experience.

d. The totals needed for this formula can be obtained from the previous fiscal year's Consolidated Civilian Labor Cost Report. This report shows all year-to-date (YTD) labor obligations within the accounting system and separates leave used from the OC11 amount. The fringe paid line of this report should not be used, as the liquidation can often be months behind. Instead, use the fringe total from the year-to-date report. (See paragraph 7007.1.)

e. At least annually, the amount reflected in the accounting system Local Table OD0 should be re-calculated and verified using the above procedures. If the percentage is too low to compensate for actual costs of fringe benefits, the figure in Table OD0 should be increased. Likewise, if the figure is too high, the figure should be lowered. The OD0 table can be adjusted during the year if the original calculation was in error or new benefit entitlements have been enacted. For full-time reimbursable civilians, it is necessary to balance within the accounting system the YTD labor and post an adjustment to the fringe benefits (OC12).

7010. LABOR BALANCING. Labor estimates (i.e., default labor) are posted to the accounting system prior to each pay period's labor payment cycle. Once the labor is paid, the payroll is reconciled against the labor estimate and the accounting system is adjusted to reflect the actual labor paid by pay period. This is known as labor balancing.

1. In order to perform labor balancing, a spreadsheet should be created to check the cumulative labor amount within the accounting system. (See APPENDIX N for instructions for creating this spreadsheet.) Determine when labor is processed within the accounting system (i.e., default hours, labor reconciliation, any adjustments) and retrieve the following reports from the INFOPAC report management system after the Bi-Weekly Reconciliation has run:

a. Pay Period to Date Dist Labor Report - Default Labor (L509). Determine the pay period required and print out the final page for the totals.

b. Consolidated Civilian Labor Cost Report (X242). This report shows YTD leave used, fringe paid and the accelerated amount for each. Only the last page of the report is required. The Civilian Labor Management Report Direct Report (XR34), Funded Reimbursables Report (XR35), or the Unfunded Reimbursables Report (XR36) may also be used to obtain this information.

c. Processing Msgs and Records Not Processed - Errors (L106). The errors, if any, should have been corrected (with a L501 report attached to it). If not, the amount will not be reflected in the X242 totals and will need to be added to the spreadsheet.

d. Online Adjustments Recap (L501). This report is only required if an error has been made. The report should be printed after each cycle and attached to the error report (i.e., L106). Any other adjustments made should zero out. If not, post the error amount to the spreadsheet if it occurred before the X242 report.

e. Recap Daily Dist Labor Report (L112). This report will be available after the Bi-Weekly Reconciliation and will contain the adjustment made within the accounting system to match the default amount agreed to in the actual payroll.

CHAPTER 8

TEMPORARY DUTY

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CHAPTER 8

TEMPORARY DUTY

8000. GENERAL. The purpose of this chapter is to emphasize the fund manager's responsibilities to effectively manage the execution of TDY funds. TDY remains the largest source of problem disbursements because obligations are not recorded into the accounting system timely and accurately. This chapter covers the preparation of TDY requests and orders.

8001. TEMPORARY DUTY (TDY). TDY occurs when a traveler is ordered to accomplish a mission at a location outside his normal place of duty. Upon completion of the mission, the traveler returns to his permanent place of duty. Government employees, military or civilian, can be directed to perform TDY throughout their careers.

1. The duties required to create TDY orders are divided among several individuals. This prevents the same individual from requesting, approving, and authenticating fraudulent orders. The duties and the personnel performing the tasks are provided below:

a. The Requester. The Requester is the organization or staff section that the traveler belongs to. The Requester is responsible for preparation of the TDY request.

b. The Approver. The Approver is the fund manager responsible for ensuring the availability of funds, assigning coding structures, and costing the TDY trip.

c. The Authenticator. The Authenticator is the individual responsible for creating the orders and affixing a signature of approval to the order.

2. Individuals responsible for preparing the TDY request and orders should be guided in their performance by the policies and procedures contained in DoD 7000.14-R DODFMR, Volume 9.

3. The TDY process involves preparing the TDY request, approving and costing the TDY, creating the TDY orders, and settling the TDY orders.

8002. PREPARING THE TDY REQUEST. The first step in the TDY process is the creation of the TDY request. A competent authority will use this request to validate the necessity of the trip. In addition to traveler's information (i.e., name, rank, organization, destination, number of days TDY, proceed-on-or-about (POA) date, estimated completion date), the request must also contain the following information:

1. TDY Purpose Category Codes. TDY orders are classified as to purpose through the use of 1-digit alphanumeric Purpose Category Codes. The code is the third digit of the OC/SOC when travel orders are prepared using the accounting system Travel Order Processing system. The purpose category codes are as follows:

A	Recruiting
B	Congressional Travel
C	Audit and Inspection
D	Troop Movement
E	CMC Conference Attendance Less than 25K
F	Other Conference Attendance Greater than 25K
G	Other Conference Attendance Less than 25K
1	Site Visit
2	Information Meeting
3	Training Attendance
4	Speech or Presentation
5	Conference Attendance CMC SPONS Greater than 25K
6	Relocation
7	Entitlement Travel
8	Special Mission Travel
9	Other Travel

2. Type Of Orders. TDY orders are identified by a 2-digit alphanumeric Type of Orders code. The Type of Orders code is constructed as follows:

POSITION 1 CATEGORY CODES	CATEGORY USE
I - Individual Orders	Used when up to three travelers are going TDY to the same place
G - Group Orders	Used when four or more travelers are going TDY to the same site.
POSITION 2 CATEGORY CODES	CATEGORY USE
P - Permissive Travel	Used when no cost will be incurred by the command. Travelers fund the cost.
V - Invitational Travel	Used when another command invites the travelers to its command for TDY. This is normally funded by the inviting command, but part of the cost may be funded by the traveler's command (multi-sponsor).

R - Recurring Travel	Used when an individual takes numerous TDY trips. Rather than issuing separate TDY orders for every trip, one set will be issued, allowing the individual to travel when necessary. The traveler will be required to submit a travel claim on a monthly basis.
C - Confirmation Orders	Used when the TDY has already been executed without travel orders.
D - Directed	Used when the command directs travelers TDY. Costs will be incurred by the traveler's command.

3. TDY orders are limited to periods of less than six months. This restriction does not apply to the following: unit deployments, TDY extended for unforeseen reasons, and TDY to more than one location when the total exceeds six months. The CMC must provide approval before allowances accruing after the six-month limitation are paid.

4. There are three ways that TDY is funded:

a. Command Sponsored Orders. When TDY is funded by the the parent command, the parent command's LOA will be cited.

b. Other Sponsor Orders. When TDY is funded by an outside command, that command's LOA will be cited. A copy of the message or correspondence from the requesting command should be attached to the TDY request.

c. Multi-Sponsor Orders. When TDY is funded by both the traveler's parent command and an outside command, then both LOA's must be cited on the orders. For example, a traveler attends a conference with the traveler's command paying for the per diem and the another sponsor paying for the travel. A copy of the message or correspondence from the outside command should be attached to the TDY request.

5. The requester must determine the appropriate statements to appear on the TDY orders to identify different entitlements or provide the traveler with appropriate directions upon completion of the TDY.

8003. APPROVING AND COSTING THE TDY REQUEST. The fund manager is responsible for approving and costing the TDY. An approved copy of the TDY request will be maintained as part of the fund manager's pending document file until the obligation is recorded and validated in the accounting system. For orders created using systems that do not interface with the accounting system, an actual copy of the TDY order must be maintained in the pending or obligated document file.

1. Approving the TDY. Part of the fund manager approval process is the assignment of all applicable coding structures (i.e., LOA, FIP, or standard fiscal code) to the TDY request. For TDY requests that result in orders created using systems that do not interface with the accounting system, an SDN must be assigned to the request. Fund managers will use block TON's from the travel subsystem of the accounting system to create and maintain an SDN log.

2. Costing the TDY. When estimating costs for TDY orders, it is important to be as close as possible to the actual cost. Over-estimating the cost of TDY ties up a unit's funds while under-estimating costs may cause fund managers to over-obligate their funds once TDY settlements are posted. The following factors must be taken into consideration when estimating TDY costs:

a. Per Diem. For each day a traveler is TDY, the traveler rates per diem, which is money for food, lodging and incidental expenses. The amount a traveler receives is based on the per diem rate for the TDY location. Per Diem rates are published in Appendix D, Part I of the JFTR. Per diem rates may also be accessed online at <http://www.dtic.mil/perdiem>.

b. Transportation Costs. Transportation costs are estimated based on the mode of transportation the traveler will use to reach the TDY location. If the traveler is flying via commercial or government air, either the government contracted travel office (i.e., SATO, OMEGA, American Express) or the Air Mobility Command (AMC) can be contacted for price confirmations. If the individual is going by POV, the traveler will rate a set amount per mile. To find the estimated number of miles, refer to NAVSO P-2471 Official Travel of Distances or access <http://dtod-mtmc.belvoir.army.mil>, which will provide actual distance mileage throughout the world. The rule of thumb is that the DTOD web site is the primary source of computing distance, not commercial maps.

c. Miscellaneous Costs. Miscellaneous costs include, but are not limited to, rental car, tolls, registration fees, and book fees, etc.

8004. CREATING TDY ORDERS. To eliminate or reduce problem disbursements and pre-validations failures, TDY orders should be created using the travel subsystem of the accounting system. Orders created using other systems that do not interface with the accounting system must be manually obligated in the accounting system. Until the Defense Travel System (DTS) or other travel order writing systems are deployed, the travel subsystem of the accounting system is the official order writing system.

1. Orders Created Using the Travel Subsystem. There are two options when creating travel orders in the accounting system: Command and Issue Only. Both types can be issued individually or for a group. They can be issued for travel that will extend from one fiscal year to the next (i.e., multi-year), and for travel being paid for by more than one sponsor (i.e., multi-sponsor).

a. Command Travel Orders. Command Travel Orders are issued when travel is being paid by the traveler's command. The orders establish a commitment of the command's funds when they are created, and produce an obligation for the command when they are authenticated. As the traveler proceeds, the orders are expensed automatically, beginning with the POA date of the travel orders. If the TDY period is less than or equal to thirty days, the order is expensed in its entirety on the POA date. If the TDY period is more than thirty days, the order is expensed equally on incremental thirty-day periods.

b. Issue Only Travel Orders. Issue Only Travel Orders are issued when the travel is being funded by a command other than the traveler's command. For example, if HQMC requests someone from Camp Lejeune travel to HQMC, then HQMC creates, approves, and authenticates the orders using the Command Travel Order process. This establishes an obligation against HQMC's funds. Camp Lejeune, using the Issue Only Travel Order process, will actually type and print the orders using the appropriation information from HQMC. Issue Only Travel Orders do not create commitments or obligations in the accounting system.

c. The TDY request must be approved and authenticated before it can be printed and issued to the traveler. Once the TDY orders are approved, a commitment is automatically created in the accounting system. When the TDY orders become authenticated, an obligation is automatically created. To prevent the possibility of fraud, the accounting system will not allow the requestor, approver and authenticator to be the same person.

d. Each set of TDY orders that is produced using the accounting system travel subsystem is automatically assigned an SDN. The serial number of the SDN (i.e., positions 11 through 15) consists of the Military/Civilian Indicator (i.e., "O" for Officers, "E" for Enlisted, "C" for Civilian) and a Travel Order Number (TON). The TON is a four-digit alphanumeric set of characters used to uniquely identify each set of travel orders. During the course of a fiscal year, a TON will not be duplicated. In the accounting system, a sequential block of TON's is assigned to each Major Subordinate Command (Work Center Identifier) at the beginning of the fiscal year. As orders are prepared, the accounting system will automatically assign the next TON in sequence to each travel order.

e. The accounting system uses remarks codes to identify different entitlements and to provide the traveler with appropriate directions upon completion of the travel. When the TDY orders have been printed, the appropriate statements will appear on the orders. These remarks codes can be found in the accounting system Table 098.

2. Orders Produced Using Other Systems. All orders produced using systems that do not interface with the accounting system must be manually entered into the accounting system.

8005. SETTLEMENT OF TDY ORDERS. The traveler must complete and submit a travel settlement claim to the administrative section within three working days upon completion of the TDY travel and return to the parent command.

1. If the administrative section has not received the claim within five calendar days of return, action must be taken to recover the amount of all advances either by cash remittance, pay checkage, or filing of the claim. In order to accomplish this responsibility, a written notification (i.e., delinquency letter) must be sent to the traveler within five days following the expiration of the deadline for filing the claim. This notification will include a copy of the applicable travel order, call the traveler's attention to the requirement for timely filing of a claim, note that the requirement has not been met, and advise that the traveler is liable for the amount of all advances. The notification will also state that the traveler has five days from the date of delivery of the notice to either file a travel settlement or reimburse the government for any travel advances taken.

2. If the traveler's fails to submit a claim after notification, action will be taken to recoup the advance from the traveler's pay (i.e., "checking the Marine's pay"). The checkage should only be processed if the traveler has not questioned the debt, offered extenuating circumstances, filed the travel claim, or made remittance. A request will be made to the Disbursing Officer to initiate the pay checkage process.

3. There are two primary forms that are used with TDY:

a. DD 1351 Travel Voucher. The DD 1351 is used to make advance payments in conjunction with TDY.

b. DD 1351-2 Travel Voucher or Subvoucher. The DD 1351-2 is used to make settlement payments for travel claims. The DD 1351-2 shows what the travel actually cost and how much, if any, advance money was taken.

8006. MODIFICATION/CANCELLATION OF TDY ORDERS.

1. Modification of TDY Orders. Whenever the scope of travel changes, a modification is required. Some common changes are: misspelled name, incorrect social security number, changes to itineraries, authorization to use a rental car, changes in the mode of transportation, or change in entitlements. If the modification is necessary before the authentication process has occurred, the accounting system will allow fund managers to modify any elements of the travel order. If the modification involves a change to the estimated costs after the authentication process has occurred, only the obligation will be modified. In either case the travel order modified in the accounting system should match the purpose and scope of the travel. Fund managers must verify that modifications to orders are properly posted in the accounting system.

2. Cancellation of TDY Orders. The accounting system has the ability to cancel travel orders already created. Once cancelled, the obligation amount will be reduced and be available to the fund manager. If the traveler took a travel advance and the advance has posted to the accounting system, the accounting system will not allow the TDY order to be cancelled until the traveler returns the travel advance to the finance (disbursing) office. The accounting system will not allow the cancellation of a travel order if any liquidation has posted to the travel record. Fund managers must verify that the commitment and obligated amounts for all cancelled orders are backed out of the accounting system.

CHAPTER 9

VALIDATIONS

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CHAPTER 9

VALIDATIONS

9000. GENERAL. In order to ensure the accuracy of transactions recorded in the accounting system, fund managers are required to perform a validation of all outstanding transactions to confirm that transactions are posted in accordance with appropriate source documents. Specifically, the goals of a validation are: to ensure the accuracy of posted transactions; to confirm whether the requirement for a material or service still exists; and to initiate follow-through efforts to locate missing liquidations. This chapter describes the requirements of the validation process as well as the procedures necessary to validate materials and services orders and outstanding travel orders.

9001. VALIDATION REQUIREMENTS.

Triannual Reviews of Commitments and Obligations. Validations will be conducted during each of the four-month periods ending on January 31, May 31, and September 30 of each fiscal year. The requirement for reviews of commitments and obligations applies to all appropriations and funds of all DoD Components including reimbursable transactions, as well as the Department's revolving and trust funds.

2. Responsibility. The responsibility for conducting and performing the validations is a joint effort between the comptroller and fund managers.

a. Comptroller Responsibilities. The comptroller is responsible for overall coordination of the validations by performing the following:

(1) Establishing and publishing a schedule for the performance of validations by the fund managers.

(2) Providing the fund manager with a report of all outstanding transactions to be validated and the appropriate validation instructions.

(3) Providing assistance and training to fund managers on how to perform validations.

(4) Ensuring that fund managers perform the validations and return the annotated validation report to the comptroller.

b. Fund Manager Responsibilities. Fund managers are responsible for conducting validations by performing the following:

- (1) Validating all outstanding transactions recorded in the accounting system against the source documents.
- (2) Inputting all corrections, adjustments, and cancellations to commitment, obligation, and expense transactions into the accounting system.
- (3) Initiating corrective action to liquidations by providing DFAS with proper supporting documentation.
- (4) Certifying and returning the completed annotated validation report to the comptroller.

3. Validations will be conducted for all material and services and travel transactions and annotated with the standard validation codes.

9002. MATERIAL AND SERVICE VALIDATION PROCESS. Prior to conducting the validation, fund managers must ensure that all financial source documents maintained in the posted file are up-to-date. Material and services validations are conducted by annotating the outstanding transactions report as either: valid, received, cancelled, error, or liquidated.

1. Valid (VAL). Requirements continue to exist for materials or services that have not been received. If the transaction is over 60 days old, submit a follow-up to the last known source of supply or service to ensure the requirement is active.

a. Work Requests, Project Orders and Contracts. These transactions will have the following DTC's: PO, RC, WR, and MP. Confirm that a signed acceptance copy of the original or modified [DD Form 1155](#), [NC 2275](#), [NC 2276](#), or [DD Form 448-2](#) has been received. If the acceptance has not been received, acquire an acceptance copy from the performing activity. If the document is sent back as rejected, cancel the document in the accounting system.

(1) Prior Year. Contact the purchasing and contracting office if the delivery date has been exceeded on the signed copy of the source document. Contact the performing activity to determine if all billings have been processed and the total dollar amount of the final billing.

(2) Current Year. Contact the purchasing and contracting office or the performing activity if no billing was received within 30 days of receipt of materials or services.

b. System Requisition (MILSTRIP/Interdepartmental Bill (IDB)). Request the status of the requisition from the last known source of supply. Based on that status, take appropriate action with the item manager. Ensure the source documents show that follow-up action was completed.

c. Request for Training (DD 1556). Confirm that training was actually executed. If so, contact the training office or member to obtain final date of training.

2. Received (REC). Material or service has been received, but no liquidation has posted. Complete the following actions:

a. If receipt of goods or services has been confirmed and an expense has not been posted to the accounting system, obtain the supporting documentation (if available) and immediately post an expense transaction.

b. Acceptable receipt documents are as follows:

(1) System Requisition (MILSTRIP/IDB) (DD 1348-1). Fund managers can obtain copies of DD 1348-1's from either the local Transportation Management Office (TMO) receiving activity and/or base supply.

(2) Completed Receipt Form. The receipt form must be signed and dated. Also acceptable are either a [DD 1348-6](#) or [DD 1149](#), stamped received, signed by the receiver, and reflecting the actual date received. Fund managers can often obtain copies of these documents from the local purchasing and contracting office.

(3) Document Type Code RV Transaction. [DD 1164](#) with Certifying Officer signature and date.

(4) Document Type Codes: PO, RC, WR, DO, CC, MD, and MP. Advance or information copies of billings received but not liquidated. Fund managers will contact the local Resident Officer In Charge (ROIC) for RC documents, and the performing activity POC for PO and WR documents to obtain copies of billings.

(5) Request for Training (DD 1556). Obtain a completed copy of the [DD 1556](#) that reflects block 36 and/or block 38 completed.

c. Government Purchase Card Transactions. All transactions should be paid within 30 days. Confirm that certified bank invoices reflect the detail transactions. If not, contact the cardholder to determine if the transaction was recorded at the bank. Any other problems should be directed to the comptroller.

3. Cancelled (CXL). Either the requirement for the material or service no longer exists, or the document is no longer active in the supply system. The fund manager will complete the following actions:

a. Immediately post cancellations to the accounting system upon receipt of cancellation confirmation based on source documentation.

b. System Requisitions (MILSTRIP/IDB). Ensure the cancellation status has been received to confirm.

c. Contracts/Delivery Orders. Obtain a copy of the modification to the DD 1449/1155 indicating cancellation.

d. Document Type Codes: PO, RC, WR, and MIPR's. Obtain a copy of amendment withdrawing fund authorization or rejection of funding document.

4. Error (ERR). The transaction does not belong to the fund manager, appears with erroneous information, liquidation is posted to wrong document number, or appears to be a duplicate. If the fund manager cannot correct the transaction, present the transactions to the comptroller and provide all available information and supporting documentation.

5. Liquidated (LIQ). The transaction is complete except that the liquidation has yet to post. If 60 days has passed since receipt of goods and services, provide receipt documentation to DFAS via the comptroller to aid their research for the delinquent liquidation.

9003. VALIDATION OF OUTSTANDING TRAVEL ADVANCES/ORDERS.

1. Responsibility. Commanding Officers are responsible for ensuring that subordinates prepare and submit TDY orders settlements (DD 1351-2) upon completion of travel. The fund manager will input all corrections, adjustments, and cancellations to commitment and obligation transactions. Fund managers will notify travelers of settlement requirements, procedures, and initiate pay checkages to recoup advances as necessary. (See APPENDIX O for a list of reports that may be useful in validating outstanding travel advances.) DFAS is responsible for adjustments and corrections to liquidations. When provided proper supporting documentation, DFAS will obtain and post settlement vouchers and government transportation requests for settled claims that have been registered but not recorded in the accounting system. All correspondence must be routed through the comptroller.

2. Validation Codes. All transactions appearing on the specified Outstanding Travel Advances/Orders reports will be annotated with one of the following notations: valid, to disbursing office, settled, cancelled, uncollectable, pay checkage, or error.

a. Valid (VAL). The individual has not yet completed travel. The fund manager will make this determination based on a review of the duration of travel and the Estimated Date of Completion (EDC) appearing on the travel orders. If it is 15 days past the EDC, check for a modification of orders that extended the EDC. If no modification was created, Fund Managers will send a letter to the traveler requiring settlement of orders. Annotate the ULO validation listing with VAL-LTR 001101 (i.e., date of letter). After three attempts have been made to get the traveler to settle and a travel advance was taken, initiate a pay checkage. For guidance on initiating a pay checkage, contact the local finance office. For validating outstanding government-funded transportation obligations, refer to the following procedures:

(1) Automated Government Travel Request (AGTR). All commercial travel reservations made through a contracted travel office (i.e., SATO, OMEGA, and American Express) are certified and approved by the passenger travel office of the local TMO. Travelers do not fly unless the government-funded transportation is approved by the TMO. It is the local contracted office (i.e., SATO, OMEGA) that initially generates the AGTR bill and provides a detail listing of travelers for a given billing period. The local TMO reconciles this detail list with the AGTR system (the AGTR system maintains Accounting Classification data, traveler name, date traveled, and amounts). This reconciled information is electronically transmitted to Albany and invoiced through the Transportation Voucher Certification Branch (TVCB) of the Transportation Management System (TMS). This information is vouchered by TVCB and sent electronically to DFAS-KC for payment, and a detail listing by traveler is also mailed to DFAS-KC. For validation purposes, if a fund manager desires to inquire into the status of an AGTR payment, such inquiries should begin at the local TMO office, not Albany. The transaction will be annotated as valid when the mode of transportation and confirmation of travel have been verified.

(2) Travel by Air Mobility Command (AMC). If someone travels TDY via AMC, the aerial port from which the traveler departs inputs traveler information and accounting data into the Global Air Transportation Execution System. The data is electronically transmitted to Scott AFB where the data is incorporated into a bill to the U.S. Marine Corps. This detailed billing information is electronically transmitted to TVCB at Albany where it is certified and sent electronically to DFAS-KC for payment. The transaction will be annotated as valid when the mode of transportation and confirmation of travel have been verified.

b. To Disbursing Office-Date Submitted (TDO). The DD 1351-2 settlement voucher has been completed by the individual and has been forwarded for payment. Annotate the date the claim was sent. If the date of submission is greater than 60 days, provide a copy of the DD 1351-2 settlement with the annotated report to the comptroller.

c. Settled (SET). The individual has received a settled claim from the payment office but the liquidation has yet to post to the Outstanding Travel Order (OTO). Annotate the Disbursing Officer Voucher (DOV) number, date paid, and disbursing officer symbol. Attach a copy of the liquidation (settlement), if available, with the annotated report to the comptroller. If the traveler does not have a copy of the settlement, check in the Integrated Automated Travel System (IATS) to verify a settlement has been made (only for U.S. Marine Corps Disbursing Symbol Station Number (DSSN)). To obtain any missing copies for the fund manager's files, the traveler also has a responsibility to maintain copies of all settlements to government travel.

d. Cancelled (CXL). Travel orders have been cancelled. If a travel advance is involved and is still outstanding, annotate the report with the date and disbursing officer symbol where the advance was returned. If travel has been cancelled for more than 5 working days, a travel advance was taken, and traveler cannot prove advance was repaid, the fund manager will initiate a pay checkage, after three attempts via letter asking for settlement.

(1) AGTR. If a ticket was purchased, the traveler will be billed. If the TDY orders are cancelled afterwards, the AGTR will process even though the TDY was cancelled. A debit and credit liquidation will be posted. The AGTR refund may take from 30 to 90 days to process in the accounting system. The fund manager must leave an obligation amount against the TON, in order for the debit and credit AGTR to post. Only after the credit has posted, can the obligation be cancelled.

e. Uncollectable Travel Advance (UNC). Research indicates the travel advance was not returned, and the individual is no longer on active duty and is not a member of the active reserves. Two successive written attempts to locate the individual at the last known address have failed. Records of the method and results of the attempts to contact the individual must be maintained for audit purposes for one fiscal year after the appropriation lapses. This annotation will result in DFAS posting a commitment, obligation, expense, and liquidation for the full amount of the advance. This action will reduce the fund manager's available balance.

f. Pay Checkage (CHI). Action has been initiated to check the individual's pay for the outstanding travel advance after three consecutive attempts have been made to have the traveler settle. Annotate the date the request was made, and attach a copy of any supporting documentation with the annotated report to the comptroller.

g. Error (ERR). Transaction does not belong to the fund manager, appears with erroneous information, liquidation is posted to wrong document number, or appears to be a duplicate. The fund manager cannot correct transaction. Present the transactions to the comptroller providing all available information and supporting documentation.

CHAPTER 10

PROBLEM DISBURSEMENTS

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CHAPTER 10

PROBLEM DISBURSEMENTS

10000. GENERAL. A problem disbursement consists of both Unmatched Disbursements (UMD) and Negative Unliquidated Obligations (NULO). A UMD is a disbursement transaction that has been received and accepted by an accounting activity, but has not been matched to the correct detail obligation. This includes both Disbursing Notification Records (DNR) and Interdepartmental Billings (IDB). A NULO is a disbursement transaction that has been matched to the cited detail obligation, but the total disbursement exceeds the amount of the obligation. Through trend analysis, the comptrollers can adjust their business practices to minimize the amount of or totally eliminate problem disbursements. The ultimate goal is to reduce or eliminate the inflow of all new problem disbursement transactions.

10001. UNMATCHED DISBURSEMENT CORRECTIONS. UMD's are primarily the responsibility of DFAS, but since 1998 the U.S. Marine Corps has been given limited access to the expenditure and collection process. This gives the comptroller the capability to correct all UMD's except registers 07, 13, 14, and 36. In a HQMC and DFAS agreement, responsibility for correcting all problem disbursements less than 31 days old lies with the U.S. Marine Corps. Below is a list of main reasons liquidations go unmatched and the means to correct them:

1. No obligation exists for the UMD document number in the accounting system.

a. Identify the activity to which the charge belongs. Obtain and validate any documentation that supports the UMD transaction.

b. If the UMD document number is supported with a source document, post the obligation to the accounting system.

c. If a commitment exists with no obligation, obtain the source documentation and post the obligation.

d. If the UMD transaction is not supported with a source document, request the voucher/bill from DFAS via the comptroller.

2. The UMD document number is not properly constructed.

a. Using the accounting system reports inquiry options or reports from the INFOPAC reports management system (i.e., Unliquidated Orders Report); attempt to identify discrepancies in the construction of the UMD document number. Many activities use the cost code field for the last 12 digits of the SDN, this may also be useful to construct the SDN.

3. The obligation is resident on the active file, but the Procurement Instrument Identification Number (PIIN) or ACRN is not correct for SDN's with a DTC of RC.

a. Change the PIIN on the liquidation record via the redistribute DNR process.

b. Verify the ACRN on the source document is correct.

4. The UMD document number is valid, but the obligation resident within the accounting system is inactive.

a. Validate the obligation against source documentation. If valid, reactivate the document number within the accounting system and make the appropriate changes.

5. The UMD document number is valid, but the accounting classification does not match the data elements of the obligation by department, fiscal year, and basic symbol.

a. Corrective action will require that DFAS be notified so a Correction Notice can be processed to correct UMD's of this type.

6. System errors should be brought to DFAS's attention immediately so that corrective action can be taken.

10002. NEGATIVE UNLIQUIDATED OBLIGATIONS. All NULO's, regardless of age, are the responsibility of the U.S. Marine Corps. For all NULO's less than \$1,000, DFAS has been given the authority to increase the obligation after the first 30 days. Below are a list of main reasons NULO's are created and the means for correcting them:

1. Incorrect Obligations. Validate the obligation to ensure all increases have been posted to the accounting system.

2. Interdepartmental Billings. Check the obligation for a price variance or quantity change. If valid, increase the obligation. All IDB transactions having a total dollar value less than \$250 must be increased.

3. Paid on Incorrect PIIN/ACRN on Contract. Research the contract payments and validate. The comptroller will redistribute the payments to the correct PIIN/ACRN.

4. Travel NULO's.

a. Ensure the liquidation posted to the SDN applies to that traveler. For verification, check the settlement voucher and the Integrated Automated Travel System. Verify the obligation amount. Estimates for obligations may be conservative based on initial requirements and need to be increased.

b. Supplemental Payment. Normally processed after the original settlement has been completed, supplemental payments include: incorrectly paid initial settlement, pending modification of orders not received prior to initial settlement, missing receipts for items over \$75, etc. Verify supplemental payments and adjust the obligation accordingly.

c. Modification of Orders. A modification to the orders may cause an increase to the liquidation amount. This is a manual process. Contact the travel order writer to obtain a copy of the modification and make appropriate changes to the obligation.

5. Duplicate Postings/Payments. Verify that the payment was actually posted twice and not paid twice. Check the DSSN, voucher number, and amount; if they are the same, it is a duplicate posting. If any of the above fields are different, it is a duplicate payment. It also must be determined if the material was received twice. If so, the unit may have to post the charge. In either case, present the problem to DFAS via the comptroller.

10003. CRITICAL PROBLEM DISBURSEMENTS OVER 180-DAYS OLD.

1. UMD's and NULO's must be researched and corrected within 180 days. Once the transaction has aged 180 days, temporary or permanent obligations will be recorded and reported in official accounting reports by the comptroller. The following BRC/SPCL INT codes will be used to record the obligations:

a. Temporary Obligations. For temporary obligations, use BRC 'UX' for treasury symbols 1106 and 1107 symbols and SIC 'UX0' for all other treasury symbols. This is a summary obligation.

b. Permanent Obligations. For permanent obligations, use BRC 'UM' for treasury symbols 1106 and 1107 and SIC 'UM' for all other treasury symbols.

2. The requirement to temporarily obligate does not apply to UMD's and NULO's that have been submitted to DFAS for correction but have not posted to the accounting system.

3. Obligations must be recorded in the accounting system no later than 30 June for problem disbursements chargeable to an appropriation that is about to be cancelled. The obligation must be recorded even though 180 days have not elapsed following the date of disbursement.

10004. REQUESTS TO DISCONTINUE RESEARCH. In absence of source documentation, which is required by law to substantiate all obligations in the accounting system, absolution of this requirement must be officially requested through the discontinued research process. Unresolved NULO's and UMD's that have been temporarily obligated under the 180-day rule must continue to be researched and corrected unless written approval to discontinue research has been obtained from HQMC.

1. The reasons for requesting approval to discontinue research are listed below:

a. Minimum Criteria. The minimum criteria for requesting approval to discontinue research are when there is no indication that an overpayment or duplicate payment has been made or not fully collected.

b. Closed Contracts. A pre-closing payment review has been completed. Obligating the UMD's or NULO's will not exceed the contract total.

c. Erroneous Document Numbers. Neither the disbursing office nor the obligating office can furnish information or support the disbursement.

d. Travel Orders. An unmatched transaction contains insufficient information for research and cannot be traced due to age.

e. In addition to the criteria listed above, research cannot be completed due to missing or insufficient documentation and steps taken to obtain missing documentation have not produced any results and further efforts appear fruitless and not cost-effective.

2. Supporting Documentation. Requests to discontinue research should be supported by a summary of research efforts and other steps taken to obtain missing documents or additional support for insufficient documentation. State specific actions taken in trying to resolve the transaction and the results achieved.

a. When applicable, transaction histories of the respective accounting and payment systems were obtained, reviewed, and compared for omitted transactions and other differences.

b. For omitted documents or noted differences, a request was made to the appropriate funding or contracting office to obtain obligation documents and to the payment office to obtain documents supporting the payment.

c. Responses received from the office to which requests were made whereby documentation and supporting information could not be located due to invalid document number references, lost or misfiled documents, inadequate data for searching files, or other reasons.

d. Sufficient actions were taken during the research efforts to provide reasonable assurance that no duplicate payments or overpayments remain outstanding and that no fraud has occurred involving the disbursement transactions for which research efforts are requested to be discontinued.

3. Processing Requests to Discontinue Research Efforts.

a. Requests will be prepared and processed in accordance with DoD 7000.14-R DODFMR, Volume 3, Section 1018. Requests will be submitted to HQMC (P&R) for review and concurrence. HQMC (P&R) will forward the request to DFAS-KC for formal submission to the ASN (FM&C).

b. Each comptroller should use the accounting system reports available through INFOPAC to determine the UMD's and NULO's, which are 120-days old and will require obligation if they reach the 180-day mark.

c. The comptroller will determine which problem disbursements meet the criteria for making the request to discontinue research efforts. If the criteria are the same for a number of transactions, these items may be summarized in one request.

10005. REPORTING REQUIREMENTS FOR PROBLEM DISBURSEMENTS.

1. In support of the President's goal for a government-wide "Clean Audit Opinion," SUBOPBUD/Sub allotment holders are required to report on a monthly basis (via message or e-mail) temporary obligation and pending adjustments for problem disbursements over 180-days old. The report should contain problem disbursements for DNR's, IDB's, and NULO's over 180 days, as well as the net amount of temporary obligations, and the net amount of pending corrections. (See APPENDIX P for report format.)
2. A list of pending transactions will also be reported. (See Appendix P for report format.)
3. The difference between UMD'S/NULO's over 180-days old and what has been temporarily obligated, should equal pending corrections. Pending corrections are problem disbursements that have correction packages submitted prior to the next reporting period, and/or a request for discontinued research authority has been submitted to DFAS.
4. Temporary obligations will be made prior to the last daily cycle of the reporting month. The obligation should be made at the SUBOPBUD/Sub allotment level to cover those problem disbursements over 180-days old that are not pending corrections.

CHAPTER 11

AVOIDING INTEREST PENALTIES

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CHAPTER 11

AVOIDING INTEREST PENALTIES

11000. GENERAL. A vendor payment is a liquidation. A liquidation is a payment to persons, organizations, firms, etc. for delivery of legally ordered goods and services. In accordance with the Prompt Payment Act, vendors must be paid on time. Failure to do so will result in interest penalties being paid to the vendor by the U.S. Marine Corps. This chapter explains the requirements that must be met for vendor payments.

11001. INTEREST PENALTIES. The Prompt Payment Act of 1982 (PL 97-177) and The Prompt Payment Act of 1988 (PL 100-496) state that the US Government must pay interest if proper payments are not made on time. It is imperative to be proactive in ensuring that both obligations and expenses have been recorded in the accounting system in an accurate and timely manner. In addition, ensure that the correct coding structures have been cited on the initial requests for procurement.

11002. REQUIREMENTS FOR VENDOR PAYMENTS. In order for a vendor payment to be made and to avoid incurring interest penalties, there are two conditions that must be met. The first condition is that a proper vendor payment must exist. The second condition is that the vendor payment must pass the pre-validation. Pre-validation failures and missing receiving reports are the major causes of interest penalties to the U.S. Marine Corps. Paying interest penalties does not contribute to making Marines and winning battles.

1. Proper Vendor Payments. All of the requirements for proper vendor payments are contained in DoD 7000.14-R DODFMR, Volume 10, Chapter 9. The three basic requirements are: a copy of the contract, the invoice, and proof of receipt of goods and services.

a. Contract. Upon the award of a contract, the contracting office will send a copy of the contract to the contract payment office. For DFAS-KC DSSN 6102 payments, this is the vendor pay section.

b. Invoice. In accordance with the contract terms, the vendor will send an invoice for payment when goods or services have been provided. This invoice can be for the entire amount or a partial amount of the goods or services. The voucher examiners in the vendor pay section will take the invoice and match it with a copy of the contract.

c. Proof of Receipt of Goods or Services. The TMO or the contracting office will send the receiving report to DFAS Vendor Pay in most cases. The type of goods received or services performed will dictate where the receiving report will originate. If the individual command has a Contract Officer's Representative (COR), it is the responsibility of the COR to certify the invoice, verify the receipt of goods and services, and then send it to DFAS for payment. DFAS will attach a copy of proof of receipt of goods or services to the invoice and contract and process the package for payment.

2. Pre-Validation. The Grassley Amendment to Acquisition Reform Bill, H.R. 4650-56, and Section 8137 of PL 103-335 requires that disbursements be matched to specific obligations prior to disbursements. To comply with the amendment, DFAS matches the document number, LOA, and amount to be paid from the invoice against the ULO transaction recorded in the accounting system. There are three reasons a document will fail pre-validation:

a. The document number on the invoice to be paid does not exist in the accounting system.

b. An obligation exists in the accounting system, but the ULO amount is insufficient to cover the amount to be paid.

c. The LOA on the invoice does not match the LOA of the transaction in the accounting system.

11003. PRE-VALIDATION FAILURES AND MISSING RECEIVING REPORTS. DFAS will provide a report of all pre-validation failures and missing receiving reports. Comptrollers must provide missing receiving reports to DFAS and take the following actions to correct pre-validation failures:

1. If the information on the invoice is correct, but no obligation resides in the accounting system, post the obligation based on source documentation.

2. If the obligation exists but it is insufficient, increase the obligation to cover the pending payment based on source documentation.

3. Verify the source documentation, make any appropriate changes to the pre-validation failure listing and forward changes to DFAS.

CHAPTER 12

YEAR-END PROCESS

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CHAPTER 12

YEAR-END PROCESS

12000. GENERAL. To ensure that Commands bring closure to execution of their funds, the financial community performs a year-end process. The goals of this process include: preventing over-obligations and over-expenditures, minimizing or eliminating reverted balances, meeting obligation rates, resolving problem disbursements, performing Unliquidated/Unfilled Orders validations, and returning unused reimbursable authority as soon as practical. The fiscal year-end closeout is achieved through the extensive and cooperative efforts of all involved. It is a team effort that requires coordination among order writers, supply, accounting, and the comptroller. The following procedures and guidelines represent the minimal essential action necessary to ensure the continued efficient and responsible use of financial resources.

12001. YEAR-END PROCEDURES.

1. Before the actual closing of the current fiscal year on 30 September, comptrollers must ensure that all transactions that effect obligations are recorded. Prior to close of the fiscal year any and all obligation type transactions the BEA cannot input into the accounting system must be presented to the comptroller. In order to meet these goals, some vital processes must be completed:

a. During the fourth quarter, a ULO/OTO validation will be done on a monthly basis for the current fiscal year only. During the validation process, the validity of all outstanding commitments, obligations, and expenses on the active file will have been determined. All invalid commitments, obligations, and expenses must be adjusted before year-end. For annual appropriations, all commitments and obligations must be equal before year-end.

b. Prior to 30 September of the fifth fiscal year after the period of availability for obligations of a fixed appropriation account ends, the account shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be cancelled and thereafter shall not be available for obligation or expenditure for any purpose.

c. All NULO's and UMD's must be resolved by the end of the fiscal year. Pending corrections or accounting adjustments must be identified or made prior to the fiscal year close. Failure to correct NULO's and UMD's in the year of execution could result in a violation of the Anti-Deficiency Act, 31 U.S. Code 1517.

2. No later than 30 March of any fiscal year, the comptroller must ensure the TON table has been established to accept the upcoming fiscal year. This is essential to create travel orders that cross over into the new fiscal year (i.e., multi-year travel orders).
3. During the fourth quarter, all spending tables must be updated to establish the new year data elements. This will not only enable the input of commitments and obligations in the new fiscal year, but also it is necessary to post authorizations for the new fiscal year. Upon the first accounting cycle for the new fiscal year, all system-generated obligations will be processed. If the tables are not updated, the transactions will fail to the error reports. If pending transactions do not appear on the active file or an error file, contact the comptroller.
4. Prior to the last cycle of the fiscal year, commands must block TON's for the new fiscal year to ensure that the travel process is uninhibited during any accounting system down time due to closeout processing. BEA's must maintain a TON log to record the issuance of blocked TON's. The instant the accounting system becomes available, the BEA will input all travel orders into the accounting system.
5. All reimbursable orders will be closed out before year-end. Information regarding the year-end close out of reimbursable orders is published in section 6009. Any unused reimbursable authority should be returned to the issuing activity prior to 15 August.
6. Upon availability of the accounting system for input in the new fiscal year, BEA'S will input all non-mechanized pending commitments and obligations.

12002. ESTABLISHMENT OF CUT-OFF DATES. Comptrollers will establish cut-off dates to control the execution of the command's funds during year-end. Below is a list of categories where cut-off dates will enable the comptrollers to effectively monitor execution goals:

1. Government Purchase Card. Once the established cut-off date has been reached, the cardholders will contact the comptrollers for approval of any purchases.
2. DSSC/Servmart. This is for emergency purchase only (e.g., fuel for vehicles). The comptroller must approve all transactions.

3. SASSY/ATLASSII+. Coordination will be made with the SMU/ISSA and the comptroller to establish final month execution procedures on a yearly basis.

4. Open Purchase via Purchasing and Contracting. Purchasing will establish guidance for year-end with their own list of dates regarding when the final contracts of the year will be awarded and the final use of BPA's, etc. Comptroller guidance will reference this guidance.

5. Travel Orders. Comptrollers should set cut-off dates for entering travel orders into the accounting system and should highly encourage commands to limit travel at year-end. All necessary travel requests will be approved at the comptroller during year-end.

12003. YEAR-END CERTIFICATION OF AUTHORIZATIONS, OBLIGATIONS, AND UNOBLIGATED BALANCES.

1. In order to support the requirement for the Director, Fiscal Division to certify accuracy of obligations, Allotment/OPBUD holders are required to submit certification of total authorizations, obligations, and unobligated balances. (See APPENDIX Q for report format.)

2. Requested balances are to be provided by year and subhead. Allotment/OPBUD holders should coordinate with DFAS-KC to ensure information on the Fund Control Spend Reports agree with the obligations, expenses, and authorizations for both Direct and Reimbursable funds reflected on the Trial Balance Report (NC2199).

CHAPTER 13

FINANCIAL ASSESSMENT VISITS AND FORMAL INSPECTIONS

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CHAPTER 13

FINANCIAL ASSESSMENT VISITS AND FORMAL INSPECTIONS

13000. GENERAL. This chapter reemphasizes the commander's and financial official's responsibility to ensure that financial transactions are properly recorded and continuously reviewed for accuracy. This responsibility is best overseen by conducting formal inspections.

13001. PURPOSE OF ASSESSMENT AND INSPECTION PLANS. Since the ultimate goal in financial management is to properly execute and monitor the financial plan, any assessment or inspection plan should be established to comply with the Chief Financial Officer's Act of 1990. The Act's intent is to provide accurate and timely financial information for decision-making purposes. The plan should focus on the accounting system as the sole source of maintaining official accounting records. As such, the data in the accounting system must be accurate and cost data for high visibility and special interest programs should be consistently reported.

13002. ACTION. Comptrollers are responsible for establishing the procedures and schedules for conducting financial assessment visits and inspections for their fund control holders. The procedures and directives established for financial assessment visits/inspections within each command will depend on the command's requirements and financial plan. The intent of an inspection should not be to establish a checklist from which a box can be checked.

1. Formal inspections will be conducted at least annually, whereas financial assessment visits should be scheduled and conducted on a more frequent basis commensurate with the comptroller's requirements.

2. The inspection program should focus on:

a. Ensuring the accuracy of accounting data, i.e., balancing all transactions of the fund execution process (authorization, commitment/reservation, obligation, expense, and liquidation) to budget execution and/or fund control files.

b. Ensuring that accounting transactions are recorded in a timely and efficient manner. In accordance with established coding structures (i.e., FIP elements, Installation Business Model categories), only valid accounting transactions should be recorded in the accounting system.

c. Ensuring that proper training is provided to fund control holders. It is imperative that training be conducted as an integral part of any assessment visit. Effective training standards should also be established and measured in a formal inspection.

13003. PROCESS. Commands will be notified in writing of an upcoming financial management inspection prior to the start of the inspection.

1. Written assessment visit/inspection reports will be provided to the inspected command not later than four weeks after the completion of the inspection. The report will identify any discrepancies noted and provide recommendations.
2. Within three weeks after receipt of the report, the inspected command will respond with corrective actions taken or planned on the reported discrepancies and recommended solutions.
3. The formal inspection should also annotate whether or not findings from previous assessments or inspections have been corrected.

APPENDIX A

GLOSSARY OF FINANCIAL AND RELATED TERMS

ACCOUNTING CLASSIFICATION CODE. The Accounting Classification Code (ACC), commonly referred to as Line of Accounting, identifies who is spending the funds, who is performing the accounting, the appropriation to be charged, the fiscal year, and the special interest information. An ACC is comprised of ten elements: Accounting Classification Reference Number, Appropriation Symbol, Subhead, Object Class, Bureau Control Number, Sub allotment Number, Authorized Accounting Activity, Transaction Type Code, Property Accounting Activity, and Cost Code.

ACCOUNTING CLASSIFICATION REFERENCE NUMBER (ACRN). A two-digit alphanumeric code (excluding alpha I's, O's, and "FR" reserved for freight or transportation charges) that uniquely identifies a LOA data code cited during all stages of processing accounting transactions. The combination of SDN and ACRN is used to capture unique accounting transactions to its proper accounting classification code.

ACCOUNTING REGISTERS. Records of expenditures, collections and adjustments normally maintained by disbursing offices. Also called allotment registers and disbursing registers.

ACCOUNTS PAYABLE CODE. A one-digit code used to identify the type of accounts payable. The codes are as follows:

- G - Accounts Payable - Government
- P - Accounts Payable - Public

ACCRUAL ACCOUNTING. The method of accounting whereby: (1) operating costs are accounted for in the fiscal period during which the benefits are received (cost of resources consumed or applied); (2) costs for which the benefits are applicable to future periods are deferred and considered as assets; (3) liabilities for unpaid costs are recorded in the accounts when goods or services are received; and (4) income for work or services performed in a reimbursable order is recorded in the accounts when reimbursable expenses are incurred.

ACTIVITY ADDRESS CODE (AAC). A six-position code assigned to identify specific units, activities or organizations authorized to direct, ship, or receive material, documentation, or billing. The first position of the code is the service assignment code (M for the Marine Corps); the other five positions identify the units, activities, or organizations within the service specified by the service assignment code.

ACTIVITY GROUP (AG). The AG is a two-digit code used to represent a major category within a command's budget. It classifies cost into broad areas that allow reporting of obligation and expense information required by DoD or to fulfill the management information requirements imposed by the Navy or HQMC.

ALLOTMENT. The authority, expressed in terms of a specific amount of funds granted to a commander by the Commandant, to obligate and expend funds for a particular purpose. Obligation and expenditure of the funds may not exceed the amount specified in the allotment, and the purpose for which the authorization is made must be adhered to. Within HQMC, allotments are issued by subhead administrators.

ALLOTMENT HOLDER. The commander or individual to whom an allotment is issued and who is responsible for the proper disposition of the allotment.

ALLOTMENT RECIPIENT. A command that receives an allotment or OPBUD from a Major Command Recipient. Commander, Air Bases East and Commander, Air Bases West are examples of Allotment Recipients. Major Command Recipients are also Allotment Recipients when they pass funds to themselves. An example of a Major Command Recipient who passes funds to themselves as an Allotment Recipient is Commander, Marine Forces Pacific.

ALLOTMENT RECIPIENT ID (ALLOT-RECIP-ID). A 6-digit alphanumeric code that identifies the installation/activity receiving funds from the Major Command Recipient. The ALLOT-RECIP-ID is the UIC of the activity receiving funds.

ANNUAL APPROPRIATION. These appropriations are generally used for current administrative, maintenance, and operational programs. Annual appropriations are available for incurring new obligations for only one fiscal year. The term "new obligation" means the initial order, requisition, or contract to another command, government agency, or private business to obtain a good or service needed by the command for mission support or mission accomplishment. New obligations can only be created during the period of 1 October through 30 September for an annual appropriation. However, annual appropriations can have payments made against them for an additional five years beyond the authorized fiscal year. This occurs when goods and services are received and accepted following the close of the fiscal year in which the appropriation was authorized.

APPORTIONMENT. A determination by the Office of Management and Budget as to the amount of obligations which may be incurred during a specified period under an appropriation, contract authorization, other statutory authorizations, or a combination thereof. An apportionment may relate either to all obligations to be incurred during the specified period within an appropriation account or to obligations to be incurred for an activity, function, project, object or combination thereof.

APPROPRIATION SYMBOL. A seven-digit alphanumeric code assigned by the Department of the Treasury to uniquely identify a congressional approved appropriation that is being charged by the source transaction. The Appropriation Symbol is comprised of a two-digit numeric department code, a one-digit numeric fiscal year code (i.e., the last digit of the fiscal year), and the four-digit numeric treasury symbol.

AUDIT TRAIL. A term used in auditing that refers to the checking procedures involved in an actual audit. For example, an audit trail might go from a financial statement to a general ledger to a subsidiary ledger to a disbursing register and finally to a source document.

AUTHORIZED ACCOUNTING ACTIVITY (AAA). A six-digit code used to identify the activity responsible and authorized to perform accounting functions for the fund holder.

BASIC SYMBOL SPONSOR (BASIC-SYM-SPONS). A 6-digit alphanumeric field that identifies the unit that will become responsible for the total budget authority delegated to them from HQMC.

BUDGET. A plan of financial operations showing in dollars the estimates of funds needed to carry out the assigned mission, or missions, over a specified period of time.

BUDGET ACTIVITY. This is a division of an appropriation that is identified by a symbol called a subhead.

BUDGET ACTIVITY CODE. A 2-digit alphanumeric field that identifies the functions or areas an appropriation is to fund.

BUDGET EXECUTION ACTIVITY. Budget Execution Activities (BEA's) are subdivisions of Work Centers. Legal responsibility for the proper management of the funds is retained by the OPBUD or Suboperating Budget (SUBOPBUD) holder. An example of a BEA is a battalion within a division.

BUDGET EXECUTION SUB-ACTIVITY. Budget Execution Sub-Activities (BESA's) are subdivisions of BEA's. BESA's are established whenever detailed identification of costs below the BEA is desired. BESA's are the lowest organizational level to which funding is broken down in the U.S. Marine Corps. An example would be assigning companies (i.e., the BESA) within a battalion (i.e., the BEA) to collect detailed costs of operating each company so the battalion can manage funds more effectively.

BUDGET PROJECT. Budget activities are divided into one or more projects, called budget projects. Its purpose is to develop more detailed data essential to the administration and control of an appropriation.

BUDGET REPORTING CODE (BRC). This is a two-digit code that is used to track and collect all costs associated with a specific high-interest program regardless of command, BEA, or fund code. If the BRC is assigned by HQMC, the code must be represented as alpha-alpha or alphanumeric. If the BRC is assigned by a local command, the BRC must be represented as numeric-numeric or numeric-alpha. By use of a standard BRC code throughout the U.S. Marine Corps, all costs and financial information pertaining to operations (e.g., Desert Storm) or specific exercises (e.g., Team Spirit) can be captured and quickly identified at the headquarters level. The BRC is an optional field in the FIP.

BUDGET YEAR. The year following the current fiscal year, and for which the budget estimate is prepared. For example, if the current fiscal year were 2000, the budget year would be Fiscal Year 2001.

BUREAU CONTROL NUMBER (BCN). A 5-digit numeric field used to identify the holder of the funds or OPBUD. For allotment holders, the first two alphanumeric digits of the BCN are the budget project and the last three numeric digits are the allotment holder.

COMMITMENT. A firm administrative reservation of funds, based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests which authorize the recipient to create obligations without further recourse to the official responsible for certifying the availability of funds. The act of entering into a commitment is usually the first step in the process of spending available funds. The effect of entering into a commitment and the recording of that commitment on the records of the allotment is to reserve funds for future obligations. A commitment is subject to cancellation by the approving authority to the extent that it is not already obligated.

COMPLETED FILES. Completed files consist of all source documents that have had commitments, obligations, expenses, and liquidations processed and validated for accuracy in the accounting system. The dollar values will all equal the liquidation amount and there are no other postings expected for the record.

CONDITION CODES (MATERIAL). A code used to indicate the physical condition of material considered and reported as excess to requirements and allowances and/or to be disposed of or redistributed.

CONSTRUCTIVE BILLING. Intra-DoD the supplier (i.e., seller) may affect billing for items on the basis of drop from inventory provided that seven days have elapsed since drop from inventory without notification of warehouse denial or other advice of nonavailability.

CONSTRUCTIVE DELIVERY. Will be presumed at the time the issuing supply activity transfers goods to a carrier for delivery to the ordering agency. Used in special cases where a stock fund has not been extended overseas.

CONSUMABLE SUPPLIES. Material which, after issue, is chemically or physically altered with use to the extent that it cannot be economically reused for its original purposes and/or which is not normally returned to a storage or industrial activity for repair. Consumable supplies are either consumed in use or lose their identity in the process of work or in the rendering of service. They include such items as office supplies, lumber, etc. Consumable supplies are generally expended upon issue.

COST ACCOUNT CODES. Cost Account Codes (CAC's) are four-digit codes used to classify financial transactions according to their "purpose" and are also used to uniformly identify the contents of management reporting requirements. CAC's are the lowest required level of cost categorization and collection used within the accounting system for categorizing why funds were used. CAC's also point to specific cost categories in the accounting system called Marine Corps Activity and Sub-Activity Group codes.

COST ACCOUNTING. A system of accounting, analyzing, and reporting the cost of operation of programs, activities, functions, and organizational units, or the cost of production of goods and services.

COST-BASED BUDGET. A budget formulated on the basis of the cost of goods and services actually to be received during a given period whether paid for before the end of the period or not. (Not to be confused with an expenditure-based budget, which is based upon the cost of goods and services received and actually paid for.)

COST CATEGORY. One of three types of costs into which the total cost of a program element is divided: (1) research and development, (2) investment, and (3) operations.

COST CODE. A 12-digit code used for local identification of transactions. For TDY documents, this field will be automatically assigned by the order writing system when the orders are created. For all other types of transactions, this field will be locally determined. It is recommended, however, that commands use the last 12 digits of the document number assigned to the source document in this field. When establishing cost codes for the Government Purchase Cards, they should identify the BEA, BESA, and Fund Code.

CROSS-SERVICING. That function performed by one military service in support of another military service for which reimbursement is required from the service receiving support.

DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS). DFAS is the official accounting firm for DoD. DFAS has functional responsibility for DoD finance and accounting policies, procedures, standards, systems, and operations.

DEFENSE WORKING CAPITAL INDUSTRIAL FUND. This revolving fund is established in accordance with requirements of the Secretary of Defense. The Defense Working Capital Industrial Fund provides the working capital to finance the operations of the overhaul and repair facilities at the U.S. Marine Corps Logistic bases in Albany, GA and Barstow, CA. The capital is replenished by the funds received as a result of periodic billings to customer activities for work or services the depots have performed.

DEFENSE WORKING CAPITAL STOCK FUND. This revolving fund was initially established by Congress. The Defense Working Capital Stock Fund finances the procurement and inventories of those standard supply and equipment parts of a consumable nature for which there is a recurring demand. The cost of these items is normally chargeable to the O&M,MC funds of the commander who requests and receives the items from supply stock. In other words, the commander who buys the parts from the warehouse pays for the item with normal operating funds (i.e., O&M,MC). The money received is then used by the warehouse to replenish the inventory.

DIRECT APPROPRIATION. An Act of Congress authorizing a specified amount of funds to be used for designated purposes, and for payments to be made out of the Treasury of the United States. There are six direct U.S. Marine Corps appropriations:

- Military Personnel, Marine Corps (MPMC)
- Reserve Personnel, Marine Corps (RPMC)
- Operations and Maintenance, Marine Corps (OMMC)
- Operations and Maintenance, Marine Corps Reserve (OMMC)
- Procurement, Marine Corps (PMC)
- Procurement, Ammunition, Navy/Marine Corps (PANMC)

DIRECT COST. Those labor, material, or other costs which are directly associated with a facility, piece of equipment, or other specific unit.

DISBURSEMENTS. Payments for goods or services received. Disbursements may be an actual payment in cash, such as reimbursing an imprest fund, or by government check to a public supplier, or by transfers between appropriations or funds whereby, the funds of a receiving governmental activity are charged and the funds of the performing activity are credited for the value of the goods or services received.

DOCUMENT IDENTIFIER CODE. A three-digit code on input transactions that specifies the type of transaction and which may also be coded to include further information.

EXPENDITURE. An amount of money actually paid out from an appropriation (e.g., checks drawn or cash expended in payment of bills, transfers from one appropriation to another as a result of obligations).

FEDERAL GROUP. The first two digits of the federal supply classification of the federal stock number which indicates a grouping of the FSN by category of material (e.g., group 10 applies to weapons and related weapons material).

FEDERAL STOCK NUMBER. Consists of an applicable four-digit class code number federal supply classification (FSC) plus the seven-digit federal item identification number (FIIN) to be replaced by the national stock number (NSN).

FEDERAL SUPPLY CLASS. A grouping of relatively homogeneous commodities, with respect to their physical or performance characteristics, the relationship of parts/attachments/accessories to the next higher assemblies for which they are specifically designed, or that the items therein are such are usually procured or issued together.

FEDERAL SUPPLY GROUP. The aggregation of several federal supply classes into a meaningful grouping for uniform management purposes. (See also Federal Group.)

FINANCIAL INFORMATION POINTER (FIP). The FIP is a collection of data elements that serves as a key to collect and classify funds by the type of funds used and the purpose for which they were executed. FIP's are only applicable to treasury symbols 1106 and 1107.

FUND CODE. This is a two-digit code used to identify the appropriation, sub-head, budget activity/sub-activity group, and program element number. Fund Codes are short keys that allow collection of information using two digits vice 23 digits (which would be required if the user had to key appropriation, sub-head, etc.). Fund Codes are assigned by HQMC (RFL) and are listed in MCO P7301.65 and MCO 7301.117. Alpha-alpha codes are used to identify annual appropriations, alphanumeric codes are used to designate multiple year appropriations, and numeric-alpha codes are used to identify no-year appropriations.

FUNDED ACCOUNTS RECEIVABLE. Amounts reimbursable to the performing appropriation resulting from work on reimbursable orders.

FUNDED TRANSACTIONS. Those transactions applicable to reimbursable orders that result in accounts receivable to the performing appropriation.

FUNDING FUNCTION (FUND-FUNC). A 2 to 8-digit alphanumeric field that is used to identify the purpose for which funds are intended. Funding functions are constructed differently for different appropriations. For the 1106 appropriation, the FUND-FUNC is a 4-digit code derived from Navy AG's and SAG's. The first two digits are the AG and the last two digits are the SAG. For example, AG '1A' for Expeditionary Forces and SAG '4A' for Base Support is combined as funding function '1A4A' when dealing with funding for Expeditionary Forces Base Support.

HAZARDOUS DUTY PAY. Payments above the basic rate because of assignments involving hazardous duty.

HISTORICAL COST. The cost of any objective based upon actual dollar or equivalent outlay ascertained after the fact. May use any one of a number of methods of cost determination.

INDIRECT APPROPRIATION. This is an appropriation that is provided to an activity other than the U.S. Marine Corps (e.g., the Navy), but the U.S. Marine Corps receives support from the appropriation (e.g., Operation and Maintenance, Navy (O&MN)) goes to support naval dispensaries that are located at U.S. Marine Corps Bases.

INITIATIONS. Administrative reservations of funds based upon procurement directives or equivalent instruments, which authorize preliminary negotiations looking toward the creation of obligations but providing for recourse to the official responsible for administrative control of funds prior to incurrence of the obligations. The term refers also to the authorization action.

INTERDEPARTMENTAL BILLING TRANSACTIONS. Transactions involving credits to the stock fund/appropriation of a military department, the Defense Logistics Agency or the General Services Administration with contra-charges to the appropriation or fund of another military department, the Defense Logistics Agency or the General Services Administration.

INTERNAL MANAGEMENT CONTROL. The organization, policies, and procedures used to reasonably ensure that programs achieve the intended results; resources are used consistent with Marine Corps' mission; programs and resources are protected from fraud and mismanagement; laws and regulations are followed; and reliable and timely information is obtained, recorded, maintained, reported and used for decision-making. Management Controls, in the broadest sense, include the plan of organization; methods and procedures adopted by management to ensure its goals are met. Management controls include processes for planning, organizing, directing and controlling program operations. Some subsets of management controls are the internal controls used to assure that there is prevention or timely detection of unauthorized acquisitions, use or disposal of the entity's assets. More information on Management Controls can be found at RFR's WEB Site: <https://hqipom1.hqmc.usmc.mil/p&r/RF/RFR/default.htm>

INTERSERVICE SUPPLY SUPPORT. Action by one military service/agency or echelon thereof to obtain material from another military service/agency or echelon.

INTRASERVICE SUPPLY SUPPORT. Action by an echelon of a military service/agency to obtain material from another echelon of the same military service/agency.

INVENTORY CONTROL POINT (ICP). The organizational element within the distribution system that has been assigned the responsibility for system-wide direction and control of material. The U.S. Marine Corps ICP is located at the U.S. Marine Corps Logistics Base, Albany, Georgia.

INVOICE. An accounting document showing particulars of property transferred or services rendered, setting forth the date, quantity, description, price, and total amount, together with the terms of the transaction (including discount, if any, and reference to the applicable contract or other procuring instrument) and an accounting document used to transfer accountability for U.S. Marine Corps supplies and equipment from one accountable unit to another.

JOB ORDER NUMBER/LOCAL USE (JON/LU) CODE. This is a four-digit alphanumeric code that serves the dual purpose of tracking work performed by facilities through the job number and tracking individual activities through the local use code. These codes are determined at the local command level. The JON/LU code is an optional field in the FIP.

JOURNAL VOUCHER. The sole input device for posting of accounting transactions to the general ledger file. All entries placed on the journal voucher must be supported by source documents.

JULIAN DATE. The Julian Date is composed of a 1-digit calendar year (e.g., 1 represents calendar year 2001) followed by the current 3-digit Julian Date (e.g., 001 represents 01 January, 365 represents 31 December except for leap year).

LABOR ACCELERATION. The amount of money that a civilian is actually paid represents only a portion of the liability of the Government. For example, since civil servants may accrue up to 30 days of leave for which they must be paid if they retire or leave government service, then the Government must set aside funds to provide for this eventuality. Also the Government must provide for its share of fringe benefits (i.e., insurance, health benefits, social security, etc.). For these reasons labor charges must be increased/accelerated to provide for these liabilities.

LEADTIME (LT). A term used in organic supply accounting that means the same as either: (1) order and shipping time (i.e., the time elapsing between the initiation, on the supply system, of stock replenishment action for a specific activity and the receipt of the material by that activity); and (2) the time elapsing between the initiation, on a source outside the supply system, of stock replenishment action for a specific activity and the receipt of the material by that activity. The LT quantity is the computed quantity and is determined by relating the LT to ARMD quantity. If, for example, the LT is 15 days and the ARMD is 20, then the LT quantity is 10.

LEVEL OF MAINTENANCE CLASSIFICATION (LMC) CODE. A letter from A through E representing the level at which each facility at an activity is to be maintained based on the support it provides to the activity mission.

MAINTENANCE. The recurring day-to-day, periodic, or scheduled work required to preserve or restore a facility to such condition that it may effectively be used for its designated purpose. Includes work undertaken to prevent damage to a facility which otherwise would be more costly to restore.

MAINTENANCE FLOAT (SECONDARY REPARABLE ITEMS). A pool of reparable components, which includes serviceable items, used to replace like unserviceable items on an exchange or rapid turn around basis and the unserviceable items awaiting repair.

MAJOR CLAIMANT. A Major Claimant is a command which is designated as an Administering Office. Since the U.S. Marine Corps is a small organization compared to the other services, HQMC assumes the role of Responsible Office, Administering Office, and Major Claimant. Major Claimants are allowed to issue operating budgets (OPBUD's) and allotments which provide funding authority from a specific appropriation to a command to accomplish its mission. OPBUD/allotment authority is expressed in terms of a specific amount granted to incur obligations and payments in support of assigned missions and functions.

MAJOR COMMAND RECIPIENTS. A Major Command Recipient is a command that receives its funds directly from HQMC. Major Command Recipients may pass funds to Allotment Recipients within their command if applicable. Commander, Marine Forces Pacific; Commander, Marine Forces Atlantic; Commander, Marine Corps Material Command; Marine Corps Recruit Command; and Marine Corps Combat Development Command are examples of Major Command Recipients.

MAJOR COMMAND RECIPIENT ID (MCC-RECIP-ID). A 6-digit alphanumeric field that identifies the Major Command Recipient that receives its funds directly from HQMC. The MCC-RECIP-ID is the UIC of the command receiving funds.

MAJOR REIMBURSABLE SOURCE CODE (MAJ RSC). An optional single digit alphanumeric field that identifies the source(s), by general category, of the funds with which one activity is reimbursed for work, services, or goods furnished to another activity.

MANAGEMENT REPORT. A brief and condensed summary of pertinent data and information periodically prepared for the use of management personnel upon which action is initiated to achieve greater productivity and economy.

MATERIAL RELEASE CONFIRMATION (MRC). A notification from a storage site advising the originator of a material release order of the positive action taken on the order. It will also be used, with appropriate shipment status document identifier codes, as a reply to a follow up initiated by the ICP.

MATERIAL RELEASE ORDER (MRO). An order issued by an accountable supply system manager (usually ICP or accountable depot) directing a nonaccountable activity (usually a storage site) within the same distribution complex to release the ship material.

MILITARY STANDARD REQUISITIONING AND ISSUE PROCEDURES (MILSTRIP) DOCUMENT NUMBER. A 14-digit MILSTRIP document number is assigned to requisitions processed through a government source of supply and for open purchase requisitions.

MONEY VALUE ONLY. A term used in inventory valuation. It pertains to items that are not accounted for on an individual basis, usually because they are too numerous to count individually, e.g., nuts, bolts, nails, pins, etc.

MOUNT-OUT (MO) STOCKS. That quantity of equipment and supplies which is required to outfit and sustain an Operating Force in an amphibious assault or commitment to mount-out material to be held by Operating Forces is comprised of initial allowances and a 30-day replenishment.

MPMC. An abbreviation for Military Personnel, Marine Corps. It is an annual appropriation that provides for the pay, allowances, clothing, subsistence, and permanent change of station movements.

MULTIPLE-YEAR APPROPRIATIONS. These appropriations are available for incurring obligations for a definite period in excess of one fiscal year. Multiple-year appropriations provide funds for weapons, ammunition, and other major items required by the Operating Forces and finance the research into advanced combat weaponry and equipment.

NEW OBLIGATIONAL AUTHORITY (NOA). Authority becoming newly available for a given year, provided by current and prior actions of the Congress, enabling federal agencies to obligate the Government to pay out money.

NO-YEAR APPROPRIATION. Also known as continuing appropriations. These appropriations are more accurately described as revolving funds. Revolving funds finance a cycle of operations in which the original no-year funds are used and then replenished through reimbursements and collections from other appropriations. This process allows the revolving fund to be self-sufficient once Congress establishes it. The theory of a revolving fund is that, once it is established, no future authorization of funds is required to supplement the original established fund principal to cover the cost of increasing prices (i.e., inflation), changes in requirements due to advanced technology and changes in the mission.

NONAPPROPRIATED FUNDS. Funds other than those appropriated by the Congress, which are established by competent authority for the welfare, comfort and/or recreation of military personnel or civilian employees. Examples are U.S. Marine Corps exchanges, clubs and messes, recreation, and civilian cafeterias.

OBJECT CLASS (OC). A three-digit code that defines the nature of the services or supplies and materials purchased (e.g., 210 is Travel). For collections, the Reimbursable Source Code (RSC) preceded by two zeros will be used.

OBJECT CLASS/SUBOBJECT CLASS (OC/SOC). A four-digit code that classifies financial transactions in terms of the nature of the services or articles for which obligations are incurred. The first two digits identify the Object Class (i.e., the type of expense being incurred such as supplies, equipment, civilian labor, etc.) and the last two digits define the Subobject Class (i.e., the source or specific nature of the services ordered such as "supplies are ordered from Army Stock items", "fuel being purchased is diesel", etc.).

OBLIGATION. An obligation is a firm, legally binding agreement between parties for the acquisition of goods or services. This phase of the transaction cycle is important in that when an official document describing a financial transaction exists, the government is legally and contractually liable for the amount shown on the source document. Once funds are obligated, the official unobligated available balance of the fund manager's account is decreased. Commands with obligations in excess of authorizations will be subject to a 31 U.S. Code 1517 violation. An obligation may be de-obligated when both parties agree and supporting documentation is provided to update the accounting system.

O&M. This is a frequently used abbreviation for the appropriation Operations and Maintenance, Marine Corps (OMMC). This appropriation provides funds to finance the costs of operations and maintenance of each U.S. Marine Corps activity, exclusive of military personnel costs. It is used to buy from the stock fund, purchase utilities, make open market purchases, and finance temporary duty.

O&MMCR. An abbreviation for Operations and Maintenance, Marine Corps Reserve. Used for the same kinds of things for Reserve units as the OMMC appropriation provides for Regular Marine Corps activity.

OPEN ALLOTMENT. An allotment administered by Headquarters Marine Corps. Those commanders authorized to do so by the Commandant, charge the allotment for goods and services within the limits specified by the Commandant. While commanders are held responsible through the military chain of command for their use of these funds, they are not legally liable for over obligation as cited under 31 U.S. Code 1517.

OPERATING BUDGET (OPBUD)/SUBOPERATING BUDGET (SUBOPBUD). An operating budget is the annual budget of an activity (responsibility center) stated in terms of functional/subfunctional categories and cost accounts. It contains estimates of the total value of all resources required for the performance of the mission of an activity, including reimbursable work and/or services for others. Operating budgets are issued by Headquarters Marine Corps to all responsibility centers. Sub-operating budgets (SUBOPBUD's) are issued by designated responsibility centers to certain subordinate commands (e.g., MARFORPAC may issue Sub-OPBUD's to all Marine divisions, wings, and bases under its command).

OVERHEAD. Costs that are chargeable to the operation and maintenance of an activity's own plant and are not attributable to a specific job.

OVER OBLIGATION. Any action that results in raising the total of obligations so that it exceeds the amount of authorized funds. Prohibited by law and regulation under penalty of punitive action.

PENDING FILE. Pending files consist of all source documents that have or have not been entered into the accounting system, but have not been verified as part of the cyclic reconciliation.

PLANNING ESTIMATE/OPERATING TARGET (OPTAR). An amount of money subject to administrative control that is issued to a level below the cost center as determined by the OPBUD/SUBOPBUD holder or is issued to specific U.S. Marine Corps organizations not included in any responsibility center.

PLANNING ESTIMATE LETTER. An administrative means of subdividing an allotment. The grantor retains accounting and legal responsibility under the provision of 31 U.S. Code 1517.

PLANNING/PROGRAMMING/BUDGETING SYSTEM (PPBS). An integrated system for the establishment, maintenance, and revision of the FYDP and the DoD budget.

PLANT PROPERTY CLASSES. For management, financial, and technical control purposes, plant property items and expenditures therefore are divided into the following four classes: (1) Class 1 - Land; (2) Class 2 - buildings, structures, and utilities - (3) Class 3 - equipment (other than industrial plant equipment); and (4) Class 4 - industrial plant equipment.

PMC. An abbreviation for Procurement, Marine Corps. This multiyear appropriation provides for the purchase of major items of equipment and ammunition. Major items are classed as investment items and include such things as rifles, tanks, trucks, radios and guided missile equipment. It should be noted that U.S. Marine Corps airplanes are provided by the appropriation Aircraft Procurement, Navy, and not PMC.

POSTED FILES. Posted files consist of all source documents that have had commitments, obligations, expenses, and/or partial liquidations processed and validated for accuracy in the accounting system.

PRIORITY CODE. A two-digit code designated to ensure that requirements are processed in accordance with the mission of the requiring activity and the urgency of the need.

PROPERTY ACCOUNTING ACTIVITY (PAA). A six-digit field that is used to identify the AAC of the document. For TDY documents, this field will contain the Travel Order Number (TON). For equipment purchases that are classified as plant property, place the activity designator code or UIC identifying the activity responsible for plant property accounting. This field may be zero filled.

RECORD. A collection of related data or words treated as a unit (e.g., in stock control). Each invoice could constitute a record.

RECURRING COSTS. Expenses for personnel, material consumed in use, operating overhead, support services, and other items incurred on an annual basis.

REIMBURSABLE BILLING CODE (RBC). This is a one-digit code that is locally assigned for billing purposes to identify line of accounting data to a reimbursable customer based on the RON assigned. This field should reflect the last digit of the customer's ACRN (i.e., customer's ACRN = 'AA' than RBC = 'A'.

REIMBURSABLE OBLIGATION. Obligations incurred in connection with reimbursable work.

REIMBURSABLE ORDER. A reimbursable order or authorization is normally a written agreement between two federal agencies or one federal agency and a private party (i.e., Memorandum of Understanding (MOU)/Memorandum of Agreement (MOA)) wherein goods or services are provided in exchange for payment. If an MOU/MOA has been negotiated between activities, the performer is bound by the agreement. Copies of current MOA's and MOU's are maintained within the Comptroller Department.

REIMBURSABLE ORDER NUMBER (RON). This is a three-digit alphanumeric code that is locally assigned to identify a specific request for reimbursable work that has been accepted. A RON must be cited in the FIP for funds that are executed under an accepted reimbursable order. This field is left blank for non-reimbursable FIP's. In the case of unfunded reimbursables, the RON found in the FIP must be the same as the last three-digits in the 15-digit field RON.

REIMBURSABLE SOURCE CODE. A single digit alphanumeric field that identifies the source(s), by general category, of the funds with which one activity is reimbursed for work, services, or goods furnished to another activity.

REIMBURSEMENTS ANTICIPATED. The amount(s) of reimbursements expected to be earned and collected.

REPORTING UNIT CODE (RUC). In addition to employing UIC's prescribed by the Department of the Navy, the U.S. Marine Corps also maintains a unique RUC that is also a five-character alphanumeric code. RUC's are primarily employed for internal U.S. Marine Corps applications such as the Manpower Management System (MMS).

REQUISITIONAL AUTHORITY CONTROL (RAC). The statistical dollar value authority provided Operating Forces using units as a budgetary guide to control and measure the draw down of organic (SAC 1) material. Does not carry legal or administrative responsibilities.

RESERVATION. An administrative action, which identifies funds set aside for planning purposes, and prior to the establishment of a commitment or an obligation.

RESIDUAL VALUE. The scrap value of equipment at the end of the economic life of the system.

RESOURCES. Consists of military and civilian personnel, material on hand and on order, and the entitlement to procure or use material, utilities, and services as required for performance of the basic mission of the responsibility center and work performed for others.

ROUTING IDENTIFIER CODES (RIC's). Three-position alphanumeric codes serving multiple purposes in that they are "source of supply" codes, intersystem routing codes, intrasystem routing codes, and shippers' codes.

RPMC. An abbreviation for Reserve Personnel, Marine Corps. It is an annual appropriation that provides for the pay, allowance, clothing, subsistence, per diem, travel and other related costs for Reserve Personnel of the U.S. Marine Corps.

SASSY GENERAL ACCOUNT. The function of the general account is to establish stockage criteria and requisition objectives for operating stocks required to support using units. Replenishment of assets (operating stock) is accomplished by submitting requisitions to various supply sources.

SERVICE UNIT. A term used to identify the operating force service element (e.g., force service support group, service battalion, or Marine wing support group) that provides support to using units.

SIGNAL CODE. A one-digit code that designates the intended consignee (ship to) and the activity that should receive and effect payment of bills.

SOURCE DOCUMENT. Source documents can be categorized as paper or electronic submissions used to accomplish a particular purpose. The electronic submissions are generated by the various mechanized supply systems within DoD and then interfaced with the accounting system to record the transaction. A Funds Manager/Supply Clerk will establish a requirement at the source of supply (e.g., SASSY) and as the source fills the requirement; their system will generate the source document that will later produce a commitment, obligation, expense, or a combination thereof in the accounting system.

SPECIAL INTEREST CODE (SPCL INT). An optional 2 to 3-digit alphanumeric code that identifies specific functions within the budgetary sub-division field (i.e., MCCS, Health Care, etc.) or other unprogrammed, highly visible issues (i.e., Desert Shield/Desert Storm). The value for this field is the same as the BRC in the FIP.

STANDARD DOCUMENT NUMBER (SDN). The SDN is a 15-digit document number used for all source documents not processed through the supply system.

STANDARD PRICE. The unit price established by the ICP having inventory control of the item concerned. Current standard prices are published in the current edition of the U.S. Marine Corps Shopping List 5.

STANDING JOB ORDER. A work authorization issued to provide the performance of work or the furnishing of services during a specified period.

STATUS CODE. A two-position code originated by the supply source informing the requisitioner of supply action taken on requisitions.

SUB-ACTIVITY GROUP (SAG). A two-digit code that represents a finer functional breakdown within the Activity Group.

SUBALLOTMENT. An authorization to use funds from an allotment issued by the Commandant. The authorization is granted by the commander who receives the primary allotment from the Commandant. The recipient of the suballotment accounts for its funds to the holder of the primary allotment; however, when the Commandant authorizes a suballotment to be accounted for with a specific three-digit number to identify it, and this number is different from the one used to identify the primary allotment, the commander who receives the allotment is accountable directly to the commander holding the primary allotment from which the Commandant authorizes the suballotment to be made.

SUBALLOTMENT NUMBER (SA). A one-digit field used to identify a Centrally Managed Operating Budget (CMOB) administered at HQMC. CMAs are established to account for items or functions where one office managing funding and costs is more appropriate from a control and administrative perspective than distributing funds to each command.

SUBALLOTMENT RECIPIENT. A Suballotment Recipient is a subordinate command that receives a portion of an allotment or OPBUD from an Allotment Recipient. Upon receipt of a suballotment, the holder assumes responsibility for the administration of the funds under the provisions of the Anti-Deficiency Act, 31 U.S. Code 1517 (i.e., legal responsibility to stay in budget) and the primary allotment holder, who issued the suballotment, is relieved of this responsibility. This is the lowest level to which Anti-Deficiency Act, 31 U.S. Code 1517 responsibility can be passed. Examples of Suballotment Recipients are MCAS Miramar, MCB Camp Pendleton, and I MEF. Major Command Recipients are also Allotment/Suballotment Recipients when they pass funds to themselves.

SUBALLOTMENT RECIPIENT ID (SRI). A 6-digit alphanumeric field that identifies the installation or activity receiving funds from the Allotment Recipient command.

SUBHEAD. A four-digit alphanumeric code that represents the administering office and the budget program that funds are executed under. The subhead identifies charges and credits made to the first level of an appropriation. The first two characters of the subhead designate the administering office and are derived from the last two characters of the major claimants unit identification code. The third digit of the subhead relates to the budget activity that is specific to the appropriation under which the subhead falls. The last digit of the subhead is always zero for the OMMC appropriation.

SUPPLEMENTARY ADDRESS. A six-position field indicating "ship to" or "bill to" activity other than the requisitioner.

SUPPLEMENTARY JOB ORDER. A job order issued for any portion of the work under a basic job order that is to be charged to an accounting classification other than that shown on the basic job order.

TEMPORARY DUTY (TDY). TDY is when a traveler is ordered to accomplish a mission at a location that is outside their normal place of duty (i.e., outside 50 miles). Upon completion of the mission, the traveler returns to their permanent place of duty. Government employees, military or civilian, can be directed to perform TDY throughout their careers.

TOTAL OBLIGATIONAL AUTHORITY (TOA). TOA is the total amount of funds available for programming in a given year, regardless of the year the funds are appropriated, obligated or expended. TOA includes new obligational authority, unprogrammed or reprogrammed obligational authority from prior years, reimbursements not used for replacement on inventory in kinds advance funding for programs to be financed in the future, and unobligated balances transferred from other appropriations.

TRANSACTION. Any mutual agreement, contract, understanding or exchange or transfer of cash or property between an entity and an individual or group of individuals that affects the assets, liabilities or capital of the entity. Broadly, any event that affects the accounts of an entity in any way.

TRANSACTION TYPE CODE (TT). A two-digit code used to classify payments/receipts as to purpose or category (e.g., 2D is Payment, 1K is Advance, 3C is Credit).

UNDISTRIBUTED DISBURSEMENTS. These are disbursements, which are not identified to a particular document.

UNDISTRIBUTED EXPENSES. These are expenses, which are not identified to a particular job order.

UNFILLED ORDER. Any document meeting the criteria of an obligation, issued for goods or services that have not yet been received.

UNFILLED REQUISITION. A requisition for material from inventory, which does not obligate the requester's funds until, dropped from inventory by the supplier.

UNFUNDED ACCOUNTS RECEIVABLE. Unfunded accounts receivable are amounts reimbursable to an appropriation and subhead resulting from unfunded transactions. (See Funded Accounts Receivable.)

UNFUNDED REIMBURSABLES. Reimbursable transactions not supported by a specific order are commonly called unfunded reimbursables. Automatic increases to operating budgets are not authorized for unfunded reimbursable work performed unless specifically provided in the fund authorization. Unfunded reimbursables will be accounted for within the direct program.

UNFUNDED RESOURCES. Those resources that are acquired, used, or consumed by an operating activity for the execution of its program(s) without expenditure by the activity from the appropriation financing the program(s). Unfunded resources may include: (1) personal services, such as the services of active forces military personnel applied in operating programs financed by appropriation and maintenance funds but paid for from military personnel appropriations; (2) material, such as centrally procured supplies acquired by an operating activity without reimbursement to the activity whose funds were used to procure the supplies; or (3) nonpersonal services and other resources, such as space rented by the General Services Administration and occupied without reimbursement by a defense activity.

UNFUNDED TRANSACTIONS. Unfunded transactions are those transactions that result in accounts receivable to an appropriation and subhead that did not result from reimbursable orders. (See Funded Transactions.)

UNIT IDENTIFICATION CODE (UIC). A five-character alphanumeric code used to identify organizational entities within the Department of the Navy (e.g., 00146 is Marine Corps Air Station, Cherry Point, North Carolina). The UIC of each operating budget holder is identified in the bureau control number block of the accounting classification code. UIC's are contained in chapter 5, volume 2 of the NAVCOMPT Manual.

UNIT OF ISSUE. A two-digit abbreviation of the standard item measurement as indicated in the applicable catalog or stock list (e.g., EA, LB, FT, etc).

UNOBLIGATED BALANCE. The difference between the amount authorized and the amount obligated.

WORK CENTER. A Work Center is a subdivision of a Suballotment Recipient. Typically, Work Centers refer to Assistant Chiefs of Staff within a U.S. Marine Corps Base or Major Commands within a MEF. These activities are held financially responsible as subordinate to superior. Legal responsibility is retained at the Suballotment Recipient level. An example is the MEF commander passing funds to the Division, Wing, and FSSG commanders to operate their units.

WORK CENTER IDENTIFIER (WORK-CTR-ID). A 6-digit alphanumeric field that identifies a subdivision of a Suballotment Recipient from which funds are received.

WORK MEASUREMENT. The process of establishing performance standards (in terms of man-hours per work unit), comparing actual performance with standard, and initiating remedial action as appropriate when the two are not compatible.

WORK UNIT. Measures of output that express volume of work; conversely, man-hours and dollars are measures of input required to produce work units or perform work.

FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE

APPENDIX B

U.S. MARINE CORPS APPROPRIATIONS BY TREASURY SYMBOL

Treasury Symbol	Dept	Description	Type
0100	97	Operation & Maintenance, Defense Agency (USMC)	Annual
0131	97	Real Property Maintenance, Defense	Multiple Year
0300	97	Procurement, Defense Agency	Multiple Year
0350	97	National Guard and Reserve Equipment	Multiple Year
0400	97	Research, Development, Test & Evaluation Defense Agencies	Multiple Year
0450	97	Research, Development, Test & Evaluation, Pentagon	Multiple Year
0500	97	Energy Conservation Improvement Program	Multiple Year
0510	97	Base Closure	No Year
0819	97	Humanitarian Assistance, Avid Response	Multiple Year
0828	97	Environmental Economic Growth	Multiple Year
0839	97	Quality Of Life Enhancement	Multiple Year
1084	97	Military To Military Contact Program	Annual
1105	17	Military Personnel, Marine Corps	Annual
1106	17	Operation & Maintenance, Marine Corps	Annual
1107	17	Operations & Maintenance, Marine Corps Reserve	Annual
1108	17	Reserve Personnel, Marine Corps	Annual
1109	17	Procurement, Marine Corps	Multiple Year
1160	17	OMMC Support For Contingency Deployment (Pseudo)	No Year
1319	17	Research, Development, Test & Evaluation, Navy	Multiple Year
1508	17	Procurement of Ammunition	Multiple Year
1804	17	Operation & Maintenance, Navy	Annual
2116	17	OMMC Emergency Supplemental Funding Y2K (Pseudo)	Multiple Year
2117	17	OMMCR Emergency Supplemental Base Operations (Pseudo)	Multiple Year
3131	97	Real Property Maintenance	Annual
4930	97	Defense Working Capital Fund	No Year
4965	97	Defense Emergency Response Fund	No Year
5095	17	Wildlife Conservation on Military Reservations, Navy	No Year
5188	97	Disposal of DoD Real Property	No Year
5189	97	Lease of DoD Real Property	No Year
7035	17	Family Housing Management Account, Defense	Annual
8242	97	Foreign Military Sales (Administrative Program)	No Year
8716	17	Gift Fund	No Year

NOTE:Dept 97 denotes OSD. Dept 17 denotes DON.

APPENDIX C

DOCUMENT TYPE CODES (DTC's)

DTC	DESCRIPTION
AB	REQUEST & VOUCHER FOR ADVANCE OF CIVILIAN PAY
AC	AWARD CONTRACT
AD	ADVICE OF PRICE REVISION
AF	ADVICE OF PROJECT FUNDS
AR	ADMINISTRATIVE SERVICE REQUEST
CB	COMMERCIAL BILLING OF LADING
CC	CREDIT CARD
CD	CONVERSION DATA
CM	REFERRAL FOR CIVILIAN MEDICAL CARE
CO	CONVERSION
CR	CLOTHING REQUISITIONS
CS	CIVILIAN PERMANENT CHANGE OF STATION
DU	DCERPS UNFUNDED COLLECTION
EE	VOUCHER EMERGENCY/EXTRAORDINARY EXPENSE EXPEND
ER	ANTICIPATED REIMBURSEABLE EARNED
FB	FRINGE BENEFIT RETIREMENT FOR EMPLOYEES UNDER THE TSP PROGRAM
FF	FRINGE BENEFIT FICA
FH	FRINGE BENEFIT HEALTH INSURANCE
FL	FRINGE BENEFIT LIFE INSURANCE
FM	FRINGE BENEFIT FOR TSP WAGE BOARD, CIVILIAN EMPLOYEES
FR	FRINGE BENEFIT RETIREMENT
FT	FRINGE BENEFIT MEDICARE
GB	US GOVERNMENT BILL OF LADING
GO	GOVERNMENT ORDERS
IT	INVITATIONAL TRAVEL ORDERS
LD	CIVILIAN LABOR DISTRIBUTION
LF	FOREIGN NATIONAL LABOR PAYMENT
MA	MIPR, ACCEPTANCE OF
MC	RECEIPT FOR MISCELLANEOUS COLLECTIONS
MD	MISCELLANEOUS FINANCIAL DOCUMENTS
ME	MILITARY PERSONNEL EXPENSE
MO	MILITARY PAY OPEN ALLOTMENT

FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE

MP	MILITARY INTERDEPARTMENTAL PURCHASE REQUEST
MR	MILITARY INTERDEPARTMENTAL PURCHASE REQUEST (FY00 AND PRIOR FY USE ONLY)
MS	PUBLIC VOUCHER FOR MEDICAL SERVICES
NC	NCERPS UNFUNDED COLLECTION
NM	MARINE CORPS PROCUREMENT REQUEST
OW	ORDER FOR WORK
PB	PRINTING & BINDING SERVICE REQUISITION
PC	REQUEST FOR PERSONNEL ACTION
PD	PROJECT DIRECTIVE-PART II
PI	PURCHASE ORDER/INVOICE VOUCHER
PO	WORK & SERVICE OF PROJECT ORDER
PP	REQUIRING MANAGER PROCUREMENT PLAN
PR	INDUSTRIAL PLANT EQUIPMENT REQUISITION
PT	PRINTING REQUISITIONS
PV	PV PURCHASES & SERVICE OTHER PERSONNEL
PW	NONDIRECT FUND PLANNING WORKSHEET
RC	REQUEST FOR CONTRACTUAL SERVICES
RE	ALLOCATION/REALLOCATION SCHEDULE
RP	NAVY REAL PROPERTY ACQUISITION
RQ	REQUISITION AND INVOICE SHIPPING DOCUMENT
RR	NC REPROGRAM RESTRICTION
RV	CLAIMS FOR REIMBURSEMENT
RX	DIRECT CITATION
SA	SOLICITATION, OFFER & AWARD
SM	AMENDMENT OF SOLICIT/MODIFICATION CONTRACT
SR	SURVEY REQUEST
SS	INTERSERVICE SUPPORT AGREEMENT
SU	ORDER FOR SUPPLIES OR SERVICES
SW	VOUCHER/SCHEDULE OF WITHDRAW/CREDITS
S7	SUB-SYSTEM 17
TA	VOUCHER FOR TR BETWEEN APPROPRIATION/FUNDS
TO	TRAVEL ORDER REQUEST/AUTHORITY TDY TEMADD
TR	U.S. TRANSPORTATION REQUEST
TS	TRAVEL DISBURSEMENT - UDP (Do NOT USE -- USE DTC TO)
TV	TRAVEL ADVANCE - UDP [DO NOT USE--USE DTC TO]
VC	VOUCHER/CLAIM DEP TRAVEL/DLA/TRAILER

FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE

WA	REIMBURSABLE WORK AUTHORITY
WC	WORK CENTER RECIPIENT AUTHORITY
WR	FUNDED REIMBURSABLE WORK REQUEST ORDER
WS	PROJECT DIRECTIVE WORKSHEET REQUEST
WX	ECONOMIC ACT ORDER/DIRECT CITATION

APPENDIX D

OBJECT CLASS CODES (OC's)

OC	DESCRIPTION
110	CIVILIAN LABOR
111	FULL TIME PERMANENT
112	OTHER THAN FULL TIME PERMANENT
115	OTHER PERSONNEL COMPENSATION
117	MILITARY PERSONNEL
118	SPECIAL PERSONAL SERVICE PAYMENTS
120	FRINGE BENEFITS
121	CIVILIAN PERSONNEL BENEFITS
122	MILITARY PERSONNEL BENEFITS
130	BENEFITS FOR FORMER PERSONNEL
210	TRAVEL/TRANSPORT OF PERSONNEL
220	TRANSPORTATION OF THINGS
230	COMMUNICATIONS
231	RENTAL PAYMENTS TO GSA
232	RENTAL PAYMENTS TO OTHERS
233	COMMUNICATION UTILITIES & MISCELLANEOUS CHARGES
240	PRINTING AND REPRODUCTION
250	CONTRACTS AND OTHER SERVICES
260	SUPPLIES AND MATERIALS
310	EQUIPMENT
320	LAND AND STRUCTURES
330	INVESTMENTS AND LOANS
410	GRANTS, SUBSIDIARIES, & CONTRIBUTE
420	INSURANCE CLAIMS INDEMNITIES
430	INTEREST AND DIVIDENDS
440	REFUNDS
910	UNVOUCHERED
920	UNDISTRIBUTED
930	LIMITATION ON EXPENSES
999	TOTAL OBLIGATIONS

NOTE:When citing the OC as part of the LOA, the zero is placed in front (e.g., 210 becomes 021).

APPENDIX E

REIMBURSABLE SOURCE CODES (RSC's)

RSC	DESCRIPTION
A	FUNDED OFF BUDGET FEDERAL AGENCIES
B	UNFUNDED OFF BUDGET FEDERAL AGENCIES
C	UNDELIVERED TREASURY CHECKS
D	FUNDED MILITARY ASSISTANCE (MAE) AND INTERNATIONAL MILITARY EDUCATION AND TRAINING (IMET) TRANSACTIONS
E	FUNDED NON DEFENSE
F	UNFUNDED NON DEFENSE
M	FUNDED MARINE CORPS COMMUNITY SERVICE
1	FUNDED INTRA APPROPRIATION
2	UNFUNDED INTRA APPROPRIATION
3	FUNDED OTHER APPROPRIATION
4	UNFUNDED MILITARY ASSISTANCE (MAE) AND INTERNATIONAL MILITARY EDUCATION AND TRAINING (IMET) TRANSACTIONS
5	UNFUNDED OTHER APPROPRIATION
6	FUNDED NON FEDERAL SOURCES (PRIVATE PARTIES)
7	UNFUNDED NON FEDERAL SOURCES
8	FUNDED FOREIGN MILITARY SALE
9	UNFUNDED FOREIGN MILITARY SALE

APPENDIX F

TRANSACTION TYPE CODES (TTC's)

Listed below are some of the more commonly used TTC's.

<u>TTC</u>	<u>Description</u>
1D	Appropriation Purchases Account, formal departmental obligation (functional account in 52000 series).
1E	Appropriation Purchases Account, contract administered by a designated Naval Plant Representative Office (functional account in 52000 series).
1F	Appropriation Purchases Account, obligation not formal nor designated Naval Plant Representative Office (functional account in 52000 series).
1H	Plant property Account direct procurement, costing \$100,000 or more, not formal departmental obligation (excluding plant property for delivery to a contractor's plant) (functional account in 41000 series except 41380 and 41480) (not applicable with the appropriation 17-1804 Operation and Maintenance, Navy, nor with the appropriation 17-1106, Operation and Maintenance, Marine Corps).
1I	Plant property Account direct procurement, costing \$100,000 or more, not formal departmental obligation (excluding plant property for delivery to a contractor's plant) (functional account in 41000 series except 41380 and 41480) (not applicable with the appropriation 17-1804 nor with the appropriation 17-1106).
1J	Subsistence end-purchases, Navy general messes (functional account 73110, 73160, or 73170), Marine Corps general messes (functional account 73111 or 73112).
2A	Payments charged to suspense series functional accounts in 48200 series for accumulating constructional costs.
2B	End-use purchases, formal departmental obligation (including plant property for delivery to a contractor's plant but excluding other plant property account items).
2C	End-use purchases, contract administered by designated naval plant representative office, not for plant property account.

2D Transactions not included in another transaction type code. Specifically: End-use charges which are not for subsistence for general messes nor for abstractable plant property account procurement (end-use charges for procurement of plant property under the appropriation 17-1804 or under the appropriation 17-1106 are nonabstractable); End-use not formal departmental obligation nor naval representative office administered; Charges to allotments administered by the Naval Facilities Engineering Command activities under Air Force appropriations; Charges to navy deposit funds 17X6001, Proceeds of Sales of Lost, Abandoned, or Unclaimed Personal Property, Navy(T), subhead 2790; 17X6002, Personal Funds of Deceased, Mentally Incompetent, or Missing Personnel, Navy, subhead 2790; and Suspense, Navy; Charges to clearing account 17F3875, Budget Clearing Account (Suspense), Navy; Charges to appropriation 17-1405, Reserve Personnel, Navy; Repair to materials in stores not charged to the Navy Stock Fund nor code 2T; Plant Property for delivery to a contractor's plant; All charges and credits to appropriation 17-11X8242, Advances, Foreign Military Sales, Executive (Transfers to Navy), except for progress payments and liquidations thereof; Charges and credits to Budget Clearing Account 17F3880, except for successor checks issued by disbursing officers code 1R.

2M Advances to Contractors (Marine Corps)

2N Advances to Grantees (Marine Corps)

2P Prepayments (Marine Corps)

2T Contract charges under other than local contracts for repair of Appropriation Purchases Account material including contractor inspection and testing.

1K Travel advances for Navy and Marine Corps civilian employees and military members and the reversal (liquidation) of travel orders.

1L Appropriation Purchases Account, formal departmental obligation under a successor appropriation (functional account in 52000 series).

1M Plant Property Account direct procurement formal departmental obligation under a successor appropriation (functional account in 41000 series except 41380, 41480, and 41990) excluding plant property for delivery to a contractor's plant.

1N Appropriation Purchases Account, successor appropriation obligation other than formal departmental type and other than contracts administered by a designated naval plant representative office (functional account in 52000 series).

2E Payments chargeable to DoD Working Capital Industrial Fund made on-site for other than travel advances.

- 2F Payments chargeable to DoD Working Capital Industrial Fund made off-site for other than travel advances.
- 2I Payment chargeable to an Army, Air Force (except allotments administered by the Naval Facilities Engineering Command), or Coast Guard appropriation; a Navy deposit fund (except 17X6001, Proceeds of Sales of Lost, Abandoned, or Unclaimed Personal Property, Navy (T), subhead 2790; 17X6002, Personal Funds of Deceased, Mentally Incompetent, or Missing Personnel, Navy, subhead 2790; and Suspense, Navy); a collection creditable to a receipt account; refund vouchers which cite appropriation 17-1453, Military Personnel, Navy, and authorization accounting activity 22 that pertain to items of pay and allowances credited or charged to the Master Military Pay Account (MPA); or military payroll vouchers which cite 17-1453 or 17-1105, Military Personnel, Marine Corps, 17X8723, Ships Stores, Profit.
- 2J End-use purchases, successor appropriation (including plant property for delivery to a contractor's plant but excluding other plant property account items).
- 2K End-use purchases, successor appropriation, not formal obligation and other than contracts administered by designated naval plant representative office (including plant property for delivery to a contractor's plant but excluding other plant property account items) (Note: For all Army, Air Force, Coast Guard, and DD Code 3 successor appropriation transactions, code 2K will be used).
- 2R End-use charges, successor appropriation obligation under contracts administered by a designated naval plant property representative office.
- 2S Purchase of material or services to be used in direct support of reimbursable work when the performer is funded by O&MN, O&MMC or MILCON appropriations and the transaction is likely to be paid in one of the several foreign currencies subject to Foreign Currency Fluctuations, Defense (FCFD) and Foreign Currency Fluctuations, Construction, Defense (FCF,C,D) procedures (applied by certifying officer in accordance with NAVCOMPT letters NAFC-81 7600/18 of 19 October 1978, Subj: Procedures for Financial Administration of Gains and Losses Due to Foreign Exchange Rate Fluctuations and NAFC-616 7600/18 of 13 July 1987, Subj: Procedures for Financial Administration of Foreign Currency Fluctuations, Construction, Defense (FCF,C,D)).
- 2X Foreign currency fluctuation gains or losses between the budget rate of exchange and rate of exchange paid for material or services ordered for use in the performance of certain categories of reimbursable work or services (applied by register-preparing activity in accordance with NAVCOMPT letters NAFC-81 7600/18 of 19 October 1978, Subj: Procedures for Financial Administration of Gains and Losses Due to Foreign Exchange Rate Fluctuations and NAFC-616 7600/18 of 13 July 1987, Subj: Procedures for Financial Administration of Foreign Currency Fluctuations, Construction, Defense (FCF,C,D)).

- 2Z Payments under a successor appropriation for seasonal, retirement, and separation allowances for indirect and direct hire foreign nationals.
- 6W Contract progress payments chargeable to Navy or Marine Corps appropriations.
- 7Y Progress payments chargeable to Navy or Marine Corps appropriations for work performed by Navy or Marine Corps Industrial Fund Activities.
- 3A Reimbursement to DoD Working Capital Fund, functional accounts 98021, 98026, 98027, 98028, or 98029.
- 3B Reimbursement to a successor appropriation.
- 3C Reimbursements not covered by type code 3A, 3B, 3D, 3E, or 3F.
- 3D Reimbursements to DoD Working Capital Fund for sales of scrap, salvage, and surplus materials.
- 3E Reimbursement to DoD Working Capital Industrial Fund made on-site for other than liquidation of travel advances.
- 3F Reimbursements to DoD Working Capital Industrial Fund made off-site for other than liquidation of travel advances.
- 4A Registers: 5, 6, 15, 22, 33, 36, expenditure and refund adjustments; Listing of Expenditures/Collections (NAVCOMPT Form 634); Public Vouchers; Interdepartmental stock fund charges; Military pay (training and aircraft ferrying); Cross-disbursing, settled; Refunds; Adjustments, expenditures, and refunds.
- 4I Registers: 3 (reimbursements), 8 (reimbursements to Navy Stock Fund), 12 (reimbursements), 13, 14, 25 (reimbursements), 36 (reimbursement adjustments); Listing of Expenditures/Collections (NAVCOMPT Form 634) reimbursement adjustments and reimbursements.
- 4J Registers: 3, issues, current or expired appropriation), 6, summary credits to be billed or suspense appropriations (reversals of summary undistributed appropriation charges cited by billing office at time of billing, for use by Navy regional finance centers, Navy Accounting and Finance Center, and Marine Corps Finance Center only), 7, current or expired appropriation, 8, issues current or expired appropriation, 9, summary undistributed interdepartmental stock fund appropriation charges cited by other DoD components (Navy Accounting and Finance Center use only) 12, summary charges to all billed or suspense appropriations, 21, cross-disbursing, unaudited, 25, expenditures, 54, MCASA issues; Listing of Expenditures/Collections (NAVCOMPT Form 634); MCSA issues, current or expired appropriation; Civilian payrolls, current or expired appropriation; NSA issues, current or expired appropriations.

- 5A Travel vouchers for TDY travel advances.
- 5B A final travel claim voucher on which TDY travel advance is liquidated; a final travel claim when no travel advance was made; Cash Collection Voucher ([DD Form 1131](#)) covering a collection from a traveler to complete liquidation of a TDY travel advance; Voucher for Disbursement and/or Collection ([NAVCOMPT Form 2277](#)) which liquidates TDY travel advances or adjusts checkage on member's pay record.
- 5C Partial TDY travel claims (not final), which liquidate a travel, advance.
- 5D A final travel claim voucher which does not liquidate a TDY travel advance and [NAVCOMPT Form 2277](#), which partially liquidates TDY travel advances.
- 5E Partial TDY travel claims (not final) when no advance was made.

APPENDIX G

FUND CODES

The following Fund Codes series are sequentially assigned by Treasury Symbols:

1. 97*4930 WORKING CAPITAL FUND
40 through 99
4A through 9Z
2. 17*1109 PROCUREMENT MARINE CORPS
A1 through H9
J0 through N9
P0 through W9
Y0 through Z9
3. 17*1508 PROCUREMENT OF AMMUNITION
A0
4. 17*1106 OPERATION AND MAINTENANCE MARINE CORPS
AA through EZ
HA through HZ
JA through LZ
PA through WZ
YA through ZZ
5. 17*1107 OPERATION AND MAINTENANCE MARINE CORPS RESERVE
FA through GZ
6. 17*1105 MILITARY PERSONNEL MARINE CORPS
MA through MZ
7. 17*1108 MILITARY PERSONNEL MARINE CORPS RESERVE
NA through NZ
8. VARIOUS, MISCELLANEOUS APPROPRIATION
XA 97*4930.NA4A
XB 97*0100.27B0
XC 97*0100.27H0
XD 97*0100.27J0
XE BILL VIA NONINTERFUND
XF 17*7035.2751
XP BILL VIA NONINTERFUND
XS 17*3885

* = FISCAL YEAR

APPENDIX H

FUNDING FUNCTION ASSIGNMENT TO TREASURY SYMBOL

TREASURY SYMBOL	FUNDING FUNCTION CONSTRUCTION
0100	SUBHEAD + 10
0131	SUBHEAD + BUDGET PROJECT
0300	SUBHEAD + BUDGET PROJECT
0350	SUBHEAD + BUDGET PROJECT
0400.45BA	PROJECT NUMBER
0400	SUBHEAD + BUDGET PROJECT
0450	SUBHEAD + BUDGET PROJECT
0500	SUBHEAD + BUDGET PROJECT
0510	SUBHEAD+ BUDGET PROJECT
0819	SUBHEAD + BUDGET PROJECT
0828	SUBHEAD + BUDGET PROJECT
0839	SUBHEAD + BUDGET PROJECT
1105	MILPAY LINE NUMBER (i.e., 01A0)
1106	NAVY AGSAG (i.e., 1A1A)
1107	NAVY AGSAG (i.e., 1A1A)
1108	MILPAY LINE NUMBER (i.e., 01A4)
1109	RESOURCE CATEGORY CODE (RCC)
1160	NAVY AGSAG (i.e., 1A1A)
1319	PROJECT NUMBER
1508	RESOURCE CATEGORY CODE (RCC)
1804	SUBHEAD
2116	NAVY AGSAG (i.e., 1A4A)
2117	NAVY AGSAG (i.e., 1A1A)
4930	W (WHOLESALE) OR R (RETAIL) + OPTAR + NAVY BUDGET PROJECT
4965	SUBHEAD + BUDGET PROJECT
5095	SUBHEAD + ALLOTMENT NUMBER
5188	SUBHEAD + BUDGET PROJECT

FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE

5189	SUBHEAD + BUDGET PROJECT
7035	BUDGET PROJECT
8242	SUBHEAD + BUDGET PROJECT
8716	SUBHEAD

APPENDIX I

U.S. MARINE CORPS SUPPLY SYSTEMS

This appendix summarizes the supply systems that are utilized within the U.S. Marine Corps.

STORES ACCOUNT SUBSYSTEM 07, DIRECT SUPPORT STOCK CONTROL (DSSC).

Stores Account Subsystem 07, DSSC is a legacy inventory control system that was developed in the late 1960's by the USMC . It provides the USMC the ability to provide support to authorized base customers for low-cost, fast-moving commodity areas. Stores Account Subsystem 07, DSSC consist of two separate but related mechanized processes. One process provides support for stocked items and the other provides support for non-stocked items and abnormal demands. The Stores Account Subsystem 07, DSSC system automates the actions required to produce MILSTRIP and commercial requisitions and records the transactions on the appropriate database files. As material is received, receipt transactions are processed to DFAS. All sales are processed against Class I files to reduce assets both at the local level and DFAS. Customer funded requisitions are processed for non-stocked items to the source of supply with the Stores Account Subsystem 07, DSSC maintaining accountability until receipt of the material. Required output is produced to the customer as well as applicable fiscal processes for the obligation and liquidation of funds. Stores Account Subsystem 07, DSSC has recently been changed to ensure Y2K compliance and is in the process of being converted from Assembler (ALC) programming language to COBOL. Stores Account Subsystem 07, DSSC is scheduled to be replaced by a future version of ATLASS II+.

SUPPORTED ACTIVITIES SUPPLY SYSTEM (SASSY). SASSY is the Automated Information System (AIS) that supports the retail (intermediate and consumer) level of U.S. Marine Corps supply. SASSY provides the retail supply accounting functions, such as: stock replenishment, requirements determination, receipts, inventory, stock control, and asset visibility for all U.S. Marine Corps units. SASSY has automated retail level supply accounts throughout the U.S. Marine Corps (i.e., Operating Forces, USMCR, supporting establishment). This AIS has a direct impact on the combat readiness (i.e., material) of every unit in the U.S. Marine Corps. SASSY is fully deployable with FASC support. SASSY includes a PC-based AIS that is capable of providing short term deployment support for small units when operating independently from mainframe computer support. SASSY is essential to providing supply support for U.S. Marine Corps units. No alternative AIS exists, and manual processing is not capable of adequately supporting the logistical requirements of the highly technical equipment found on today's battlefield. The U.S. Marine Corps is replacing SASSY with ATLASS II+.

MATERIAL RETURNS PROGRAM (MRP). A legacy system that was developed in late 1978 by the USMC. MRP provides the USMC the ability to offer excess inventory to wholesale managers.

ASSET TRACKING LOGISTIC AND SUPPLY SYSTEM (ATLASS). A deployable, microcomputer-based supply system that integrates the functionality of the Landing Force Asset Distribution System (LFADS) and the Personal Computer Support Activities Supply System (PC SASSY) to: provide the ability to control, distribute, and replenish equipment and supplies in assigned areas of operation; to receive supply support from; and to provide supply support to other services. ATLASS is scheduled to be replaced by ATLASS II+.

ASSET TRACKING LOGISTICS AND SUPPLY SYSTEM II+ (ATLASS II+). A deployable supply, maintenance, and materiel readiness AIS. ATLASS II+ was designed to replace the Supported Activities Supply System (SASSY), Asset Tracking Logistics and Supply System Phase I (ATLASS), and the Marine Corps Integrated Maintenance Management System (MIMMS). It is the migratory supply/maintenance system for the Marine Corps for both the consumer and intermediate levels of supply. It provides supply functions such as: stock replenishment, order management, requirements determination, property control, inventory, stock control, unit level fiscal accounting, and asset visibility for all U.S. Marine Corps units. It also provides maintenance functions such as: readiness, maintenance management, work order number management, and maintenance history of principle end items (PEI). It is compliant with the Defense Information Infrastructure Common Operating Environment (DII COE) in order to provide asset visibility and logistics posture to higher, adjacent, and supporting units thus providing greater situational awareness on the battlefield. ATLASS II+ provides Marine Forces units with a fully deployable-networked client/server system. Each Marine Expeditionary Force maintains its own server and is capable of storing up to 27 months of data.

DEPARTMENT OF DEFENSE ACTIVITY ADDRESS DIRECTORY (DoDAAD). A legacy system that was developed by the USMC. DoDAAD provides the USMC the ability to use Department of Defense Activity Address Codes (DoDAAC) for mail, freight delivery, and billing requirements. This AIS has a direct impact on the continued total support of every USMC unit.

INTEGRATED TECHNICAL ITEM MANAGEMENT AND PROCURMENT SYSTEM (ITIMP). The ITIMP System is a mainframe application. It provides semi-automated purchase requests for commercial purchases for the U.S. Marine Corps managed items. The ITIMP System's purpose is to develop automated solicitation, award documents and modifications to commercial vendors on the basis of an authorized, funded purchase request, in conformity with rules of the Federal Acquisition Regulation and Defense Federal Acquisition Regulation. The system maintains previous procurement history for the items and other data necessary for the buyer to select bidders, evaluate responses, and process the award. It receives basic purchase requests in the form of computer-generated buy recommendations, manually originated buy recommendations, and buy notices for direct delivery. The ITIMP System receives purchase identification description and packaging requirements data.

STORES ACCOUNTING SUBSYSTEM (SS04). A senior legacy system developed in the late 1960's by the USMC, but owned by DFAS. Stores Accounting is an automated operation that records and accumulates all data required for financial analysis of inventory movement and the control and account for cash resources as well as financial inventory balances. This system receives inputs that affect the Navy Working Capital Fund and Marine Corps Appropriated Stores Account. Stores Accounting updates the master inventory and the Direct Support Stock Control records, computes the dollar value of the transactions, and updates the stores inventory balances.

ALLOTMENT ACCOUNTING SUBSYSTEM (SS17). A senior legacy system developed in the late 1960's by the USMC, but owned by DFAS. Allotment Accounting is a manual and mechanized system that records funding data from the time the Inventory Control Point (ICP) initiates a requisition until its funds are liquidated. This subsystem provides up-to-date information on funds allotted to the ICP on an accelerated basis, including the recording of necessary funding data from computer generated buy recommendations, manually generated buy recommendations, direct delivery buy notices, and MILSTRIP requisitions.

TRANSPORTATION MANAGEMENT SYSTEM (TMS). TMS consists of three modules:

a. Freight Module. The Freight Module supports the shipment functions of both Transportation Management Offices (TMO's) and Installation Transportation Offices (ITO's).

b. Voucher Certification Module. The Voucher Certification module is designed to facilitate the receipt and certification of all transportation vouchers relating to the movement of personal property, freight, and passengers in the U.S. Marine Corps. Vouchers are certified with electronic signatures and passed to the disbursing module for payment by DFAS-KC.

c. Disbursing Module. The Disbursing Module is the final verification and payment process. The Disbursing Module is for vouchers certified and presented for payments to contractors and carriers for shipment of freight, personal property, passengers, do-it-yourself moves, and various miscellaneous payments relating to the transportation community. TMS is not a financial accounting system; however, appropriation data relating to the payment process is recorded for historical purposes. The system is designed to capture accounting data provided as reports to HQMC and the Military Traffic Management Command.

APPENDIX J

INFOPAC

A. INTRODUCTION. INFOPAC was designed to facilitate electronic viewing of reports, as well as provide an instrument for producing the reports on paper. INFOPAC provides the user an opportunity to review and determine exactly what printed output, if any, is needed. By providing the opportunity to select exactly what report is required on paper, production cost decreases as unwanted reports are eliminated from print. INFOPAC also provides methods of manipulation that allows the user to organize the reports based on their requirements. The list of reports available to the user depends on the access profiles attached to the users ACID. INFOPAC can be accessed through the mainframe computer. Reports are loaded to INFOPAC after each cycle and can be requested by the customer between cycles.

B. INFOPAC ON-LINE VIEWING COMMANDS AND PF KEYS. The following describes the function keys and commands available to the user:

KEY	COMMAND	FUNCTION
PF1	H elp	Provides information on using INFOPAC. Press <ENTER> to view additional screens, or PF3 to exit.
PF2	P Rint	Displays the printing menu for printing specified pages of a report.
PF3	E ND	Returns you to the previous viewing menu.
PF4	M enu	Returns you to the viewing menu.
-	F ind (text)	Searches forward for up to 28 characters of text. If you type F 'xyz' on the command line the program searches for the characters xyz. If you want to search for more than one word, enclose the text in single quotes: F 'Admin Ops' .
PF5	R Find	Repeats the find command and searches forward for text previously specified with a Find command.
-	L Ocate	Goes directly to a report section. (Report section must have hierarchy codes name defined.)
-	S ROLL	You may change the vertical scroll unit field in the SCROLL field from SCREEN (default) to PAGE or LINE by placing the cursor in the field and typing P , L , or S .
PF7	U p (numbers)	Scrolls up in unit specified in the SCROLL field (page, line, screen) by the number specified on the command line. If the command line entry is omitted, scrolls up one scroll unit. Example: if the SCROLL field is set to PAGE (PF7) scrolls up a page; if the command line has a 3, (PF7) scrolls up three pages.
PF8	D own (numbers)	Works the same as Up (PF7) but scrolls down instead.
PF10	L eft (numbers)	Scrolls the page horizontally to the left by the number of columns placed on the command line. If the command line is omitted, scrolls one half-screen width.
PF11	R ight (numbers)	Scrolls the page horizontally to the right by one half-screen or by number specified on command line.
-	T OP	Takes you to the top of the report.

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-	BOT tom	Takes you to the end of the report.
-	SC ale	Displays a row and column grid on the report so you can identify row and column numbers for Freeze or View. Cancel Scale by typing SC OFF on the command line.
-	Freeze R (xx-yy) C (xx-yy)	Lets you specify rows or columns to remain displayed while scrolling. It allows you to keep column headers and row labels on the screen while you move around on the page. Examples: FR R3 freezes the third line on the screen; FR C1-20 freezes columns 1 through 20. You can specify both row and column ranges in the same command, for example FR R3-6 C1-30 . Display current Freeze settings with FR and enter. Cancel Freeze with FR OFF .
-	V iew (column number)	Specifies columns to "cut and paste" to alter the display of a report. To view columns 1-10, 50-75, 20-35, enter V 1-10 50-75 20-35 . This moves columns 50-75 and displays them after columns 1-10 and before 20-35. Display current view settings with V and enter. Cancel View with V OFF on the command line. If you print with a view on, the report prints as formatted by the view.
PF12	Quit	Exits completely from INFOPAC.

C. INFOPAC LOGON PROCEDURES. The following steps are required to logon, retrieve reports, manipulate the selected reports, produce the reports on paper, and logoff (quit):

STEP	ACTION
1	THE FIRST SCREEN IS THE MARINE CORPS DATA NETWORK SCREEN. CHOOSE THE DOMAIN WHERE YOUR REPORTS ARE LOCATED.
2	THE SECOND SCREEN IS THE CICS/VS SIGNON SCREEN. TO ACCESS CICS, ENTER YOUR USER ID , PRESS <TAB> , ENTER YOUR PASSWORD AND PRESS <ENTER> .
3	THE FOURTH SCREEN IS THE MQG APPLICATIONS MENU. AT THIS SCREEN SELECT THE NUMERIC OPTION IDENTIFIED FOR INFOPAC RDS.
4	THE ***INFOPAC-RDS*** VIEWING MENU WILL APPEAR. IF THE REPORT ID, VERSION, AND SECTION ARE KNOWN, THE INFORMATION WILL BE INSERTED IN THE APPROPRIATE FIELDS. ELSE <TAB> DOWN TO DISPLAY LIST OF REPORTS AND TYPE A Y . REPEAT THE AFOREMENTIONED PROCESS AT THE DISPLAY LIST OF VERSIONS, AND DISPLAY SECTION INDEX FIELDS. PRESS <ENTER> .
5	A LIST OF *** ARCHIVED REPORTS *** WILL APPEAR. AT THIS SCREEN ARROW DOWN TO THE SELECTED REPORT NAME, TYPE ANY ALPHA CHARACTER AND PRESS <ENTER> .
6	THE *** ARCHIVED REPORT VERSIONS *** SCREEN WILL NOW APPEAR. IF THE REPORT THAT YOU REQUIRE HAS NOT BEEN RECENTLY REQUESTED, THE STATUS WILL REFLECT, "MUST BE RECALLED" BECAUSE THE REPORT HAS BEEN ARCHIVED. IF THE REPORT GENERATION IS CURRENT OR IF THE REPORT HAS BEEN RECENTLY REQUESTED THE STATUS WILL REFLECT "AVAILABLE". DETERMINE THE REPORT DATE THAT IS DESIRED, ARROW DOWN TO THE SELECTED REPORT, TYPE AN X , AND PRESS <ENTER> . IF THE STATUS OF THE REPORT WAS "MUST BE RECALLED" A MESSAGE WILL APPEAR IN THE TOP RIGHT OF THE SCREEN. THE MESSAGE "RECALL REQUEST ISSUED. TRY LATER." WILL APPEAR INDICATING THAT THE PROGRAM IS IN THE PROCESS OF UN-ARCHIVING AND RETRIEVING THE REPORT. UPON RECEIPT OF THAT MESSAGE YOU WILL HAVE TO WAIT UNTIL THE RETRIEVAL PROCESS IS ACCOMPLISHED.
7	ONCE THE REPORT IS AVAILABLE, ARROW DOWN TO THE AVAILABLE REPORT, TYPE ANY ALPHA CHARACTER, AND PRESS <ENTER> .

- 8 THE *** REPORT SECTION INDEX *** WILL NOW APPEAR. THE REPORT SECTION IDENTIFICATION WILL BE SORTED AND DISPLAYED BY CATALOG NUMBER AND THE ESTABLISHED HIERARCHICAL CODE (I.E. MAC). **ARROW DOWN** TO THE SECTION OF THE REPORT YOU DESIRE, TYPE AN **X**, AND PRESS **<ENTER>**.
- 9 PERFORM THE REQUIRED MANIPULATION OPTIONS BY UTILIZING THE PF KEYS OR BY TYPING THE ASSOCIATED COMMANDS ON THE COMMAND LINE.
- 10 WHEN PRINTING THE REPORT, TYPE **Q** OR PRESS THE **PF2** KEY. NEXT THE *** PRINTING MENU *** SCREEN WILL APPEAR. YOU MUST INDICATE THE PAGE NUMBERS YOU DESIRE, OR LEAVE THE PAGE RANGE "000001 TO PAGE: 999999" WHICH WILL PRINT THE ENTIRE REPORT FOR THE SECTIONS INDICATED ABOVE. CHANGE THE "B" IN THE PRINTER FIELD TO **O** (ONLINE), TYPE IN THE **PRINTER ID NUMBER** WHERE YOU WOULD LIKE THE PRINT TO BE ROUTED, AND PRESS **<ENTER>**.
- 11 LOGOFF INFOPAC BY TYPING **Q** OR BY PRESSING THE **PF12** KEY.
- 12 TYPE **EXIT** AT THE CICS MENU SELECTION SCREEN.

D. INFOPAC COMMAND AND PF KEY TEMPLATE.

PF1	PF2	PF3	PF4	PF5	PF7	PF8	PF10	PF11	PF12
Help	Print	END	Menu	RFind	Up	Down	Left	Right	Quit

Find Find text: use single quotes if needed, example: F 'admin ops'

Locate Goes directly to a report section. Report must have hierarchy codes defined.

TOP Takes you to the top of the report.

BOTTOM Takes you to the bottom of the report.

Scale To display or hide the row/column grid.

Freeze Freeze row labels (Rxx-yy) / columns (Cxx-yy) while moving around a page.

View To rearrange the columns in a report.

E. Numerous management reports are available through INFOPAC including the Data Dictionary GF71UAAA, which provides descriptions of appropriations, sub-heads, fund codes, activity groups, sub activity groups, cost account codes and other important fiscal codes.

APPENDIX K

ACCOUNTING SYSTEM GENERATED REPORTS

The accounting system reports listed below are used to reconcile, balance, and report budget execution.

1. MATERIAL AND SERVICES

<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
M118	DFBR016	NEGATIVE UNLIQUIDATED OBLIGATION REPORT (WEEKLY & MONTHLY)
M150	DFBR008/PRTM150	UNLIQUIDATED ORDER STATUS REPORT (WEEKLY & MONTHLY)
M207	DFBR017	DAILY TRANSACTION JOURNAL (DAILY)
M212	DFBR017	DAILY TRANSACTION JOURNAL (DAILY)
M258	DFBR017	DAILY TRANSACTION JOURNAL (DAILY)
M275	DFBR017/PRTDTR1	DAILY TRANSACTION REPORT BY WCI/BEA (DAILY)
	PRTDTR3	RA DAILY TRANSACTION REPORT BY WCI/BEA (DAILY)

2. TRAVEL

<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
T147	PRTT147	UNLIQUIDATED TRAVEL ORDERS STATUS REPORT (WEEKLY)
T149	DFBR005A	OUTSTANDING TRVL ORDER BY AGE CATEGORY (DAILY)
T184	DFBR005A	OUTSTANDING TRVL ORDER BY AGE CATEGORY (DAILY)
T231	DFBR005B	OUTSTANDING TRVL ADVANCE BY AGE CATEGORY (DAILY)
T267	G714AF40	GFSPT267 TRAVEL ORDER NUMBER REPORT (DAILY)

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3. REIMBURSABLE

<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
RR1	G717AG20	AS REQUEST REPORT (NOT PRESENTLY PART OF ANY SABRS3 CYCLE)
RR2A	GFSPRR2A	REIMBURSABLE SOURCE CODE SUMMARY REPORT (MONTHLY)
RR5	GFSPRR5	REIMBURSABLE ORDER REPORT FOR CURRENT CYCLE (DAILY)
RR7	GFSPRR7	CUSTOMER ANALYSIS REPORT (MONTHLY)
RR9	GFSPRR9	NAVCOMPT FORM 2193
XR3A	GFSXR3A	REIM ACTUAL WORK UNIT RPT TOTAL ON SUBHEAD

4. BUDGET EXECUTION (Currently under development)

5. LABOR

<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
L112	GFDL112	RECAP DAILY DISTRIBUTED LABOR REPORT (DAILY)
	GFBL112	RECAP DAILY DISTRIBUTED LABOR REPORT (BI-WEEKLY)
L501	GFDL501A	ONLINE ADJUSTMENTS RECAP (DAILY)
	GFDL501B	ONLINE ADJUSTMENTS RECAP ERROR REPORT (DAILY)
	GFBL501A	ONLINE ADJUSTMENTS RECAP (BI-WEEKLY)
	GFBL501B	ONLINE ADJUSTMENTS RECAP ERROR REPORT (BI-WEEKLY)
L509	GFDL508	PAY PERIOD TO DATE DISTRIBUTION LABOR REPORT (WEEKLY)
	GFBL508	PAY PERIOD TO DATE DISTRIBUTION LABOR (BI-WEEKLY)
	G715AC20	PAY PERIOD TO DATE DISTRIBUTION LABOR (AS REQUESTED)

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<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
L123	G715AL10	LABOR PERSONNEL FILE
		REPORT (BI-WEEKLY)
L124	GFBL124	LABOR EXCEPTION ERROR
		REPORT (BI_WEEKLY)
L140	G715BIL0	NAVCOMPT 2051 REPORT
		(BI-WEEKLY)
L150	GFSL150	GROSS PAY/RECONCILIATION
		PAYROLL (BI-WEEKLY)

6. EXPENDITURES AND COLLECTIONS

<u>SABRS1</u>	<u>SABRS3</u>	<u>Description</u>
E120	DFRB010	DNR UNMATCHED
		REPORT (DAILY)
	DFRB009	CRITICAL UNMATCHED DNR
		REPORT (DAILY)
	DFRB010A	DNR UNMAT TRANS ADDED
		SINCE LAST RPT (DAILY)
	DFRB011	DNR UNMAT TRANS DROP
		SINCE LAST CYCLE (DAILY)
	DFRB012	DNR ERROR REPORT (DAILY)
	DFRB013	DNR UNMAT TRANS DROP
		SINCE LAST CYCLE (DAILY)
E240	DFBR009	IDB UNMATCHED/REJECTED
		DISBURSEMENTS (DAILY)
	GMUMPRPT	IDB UNMATCHED
		DISBURSEMENT REPORT
	GMUMP250	IDB UNMATCHED
		DISBURSEMENT LE 250

APPENDIX L

UNFUNDED REIMBURSABLE PROGRAMS

Unfunded reimbursable transactions are not supported by a specific order. Automatic increases to operating budgets are not authorized for unfunded reimbursable work performed unless specifically provided in the fund authorization. The following excerpts from the Financial Management of Unfunded Reimbursable Programs Manual (MCO 7301.116) are some of the specific unfunded programs executed at the field level.

GUIDANCE FOR AGRICULTURAL OUTLEASING

1. Authority. Pursuant to authority contained in Section 803 of Public Law 97-321, which amended 10 United States Code (USC) 2667(d), rental fees received by the United States directly from leases of agricultural or grazing land under the control of the Secretary of a military department may be retained and spent by the Secretary concerned. Amounts collected are to be used to cover administrative expenses of leasing and to cover the financing of management programs for multiple land use at installations under the jurisdiction of the Secretary concerned. The Commander, Navy Facilities Engineering Command (NAVFAC) is authorized to take all necessary action to grant, administer, and terminate leases under the conditions prescribed by the Secretary of the Navy, subject to the approval of the activity commander. By memorandum of agreement between the Commandant of the Marine Corps (CMC) and NAVFAC, the U.S. Marine Corps assumed direct responsibility for administration and management of the U.S. Marine Corps agricultural out leasing program. The CMC and NAVFAC, together with Navy and Marine Corps installations, cooperate in programs of multiple land use management to optimize utilization and protection of real property and natural resources consistent with the military mission.

2. Definitions.

a. Agricultural Out leasing. Agricultural out leasing is the use of DoD lands under a lease to an agency, organization, or person for the purpose of growing crops or grazing domesticated animals. DoD Instruction (DoDI) 4751.3 prescribes policy for integrated programs for multiple-use management of renewable resources on DoD lands consistent with military missions. It further directs that monetary proceeds from agricultural and grazing out leases may be used to fund plans, projects, administrative costs, and multiple land use management programs in accordance with 10 USC 2667(d), as amended by Section 803 of Public Law 97-321. MCO P5090.2 provides Marine Corps guidance on approved programs. The CMC, Logistics, Facilities, and Services Division - Land Use (LFL), is responsible for initiating actions necessary to establish separate obligation authority for unfunded reimbursable programs for the Marine Corps portion of the Department of the Navy agricultural out leasing program. Approved unfunded obligation authority will be used to fund plans, projects, and administrative expenses of leasing U.S. Marine Corps installation lands.

3. Accountability for Proceeds.

a. Budgeting.

1. Total anticipated reimbursements from leasing of agricultural and grazing lands will be executed on an unfunded reimbursable basis. Obligational authority to execute a planned program of expenses, including the cost of any equipment, for leasing agricultural and grazing lands must be coordinated per MCO P5090.2 with the program sponsor, CMC (LFL), to ensure unfunded reimbursable authority is approved through the budget process.

2. Funding needed at the installation level for the approved agricultural out leasing program will be included as unfunded reimbursable authority in the Operation and Maintenance, Marine Corps Operating Budgets issued by CMC, Fiscal Division, Program Resource Budget Operations Branch (RFO). Amounts authorized will be footnoted on the Operating Budget as "not available for any other purpose." Expenses related to NAVFAC Engineering Field Divisions (EFD's) for administering U.S. Marine Corps agricultural out leases will be budgeted and administered by CMC (LFL).

b. Collections.

1. All collections received for the out lease of agricultural and grazing lands are deposited by Naval Facilities Engineering Field Division (NAVFAC EFD) who also performs real estate contract execution, contract negotiations, and administration, appraisals and cadastral support, to Budget Clearing Account (Suspense Account, Navy) 17F3875.27AG. The unique subhead permits aggregation of collections for agricultural and grazing leases from other collections recorded in this account. All collections are processed by NAVFAC EFD's and copies of collections are forwarded to the Defense Finance & Accounting Service, Cleveland (DFAS-CL) on the Voucher for Disbursement and/or Collection ([Standard Form \(SF\) 1080](#)). The collection voucher will reflect in the description column the purpose funds were received: "Monies received from lease of agricultural lands." Funds will be credited for receipt to the following accounting classification data:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27AG	007	UIC of Activity Leasing Land	067443	3C	000000	1/

NOTE: 1/ Cost Code(CC) - Position 1 will reflect an alpha user code for the EFD administering the lease; positions 2 to 6 will contain the UIC of the applicable installation; position 7 will be zero; and positions 8 to 12 will reflect functional account number 98004.

c. Accounting.

1. All expenses related to the agricultural out lease program incurred against the Operation and Maintenance, Marine Corps appropriation at U.S. Marine Corps installations will be accumulated and reported in the accounting system under Reimbursable Order Number (RON) "AGR."

2. The following customer Line of Appropriation (LOA) will be charged:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27AG	000	UIC of Activity Leasing Land	067443	2D	000000	000000098004

Activity Group/Subactivity Group (AG/SAG) code "BA/B8" and cost account code B8A0 has been established for accumulating and reporting expenses related to the Agricultural Outleasing Program. Military personnel costs should be collected, if applicable, but are not reimbursable.

3. Bills are generated based on the accrued expenses recorded in the accounting system. Reimbursements will be made from proceeds deposited in account 17F3875.27AG and credited to the Operation and Maintenance, Marine Corps appropriation at the field installation level. Reimbursement in excess of the approved program is not authorized and in no case will reimbursement exceed amounts deposited to account 17F3875.27AG.

4. Accumulation of funds collected in 17F3875.27AG will not be affected by fiscal year. Proceeds acquired during one fiscal year may be carried forward and merged with proceeds of a subsequent fiscal year.

GUIDANCE FOR RECYCLABLE MATERIAL

1. Authority. Title 10 U.S. Code 2577 provides that expenses incurred for operations, maintenance, and overhead in processing recyclable materials at an installation (including the cost of any equipment purchased for recycling purposes) be reimbursed from proceeds from the sale of recyclable materials. The purpose of recycling programs is to provide an economic incentive to encourage recycling of waste materials, which had previously been discarded. In cases where in-house recycling is not feasible, the waste material may be sold through the Defense Property Disposal Office with a return of 100 percent of the sale proceeds to the installation. Accumulation of proceeds from sales of recycling materials is authorized only for installations with qualifying recycling programs. Qualifying recycling programs are organized operations that divert or recover scrap or waste from waste streams, as well as efforts to identify, segregate, and maintain or enhance the marketability of waste materials. Qualified recycling programs are approved by the program sponsor for Recyclable Material Programs, CMC, Logistics, Facilities Services Division, Logistic Facilities Branch (LFF), in accordance with DoDI 7310.1 and MCO P5090.2.

2. Definitions.

a. Recyclable Materials. Recyclable materials can include, but are not limited to: high-quality paper and paper products; mixed paper; newspaper; cardboard; plastic; metal cans; glass; and used oil. Hazardous waste, batteries, and tires are not considered recyclable materials. In addition, scrap (including ferrous and non-ferrous scrap) and firing range expended brass and mixed metals gleaned from firing range cleanup that do not require demilitarization may be included in a qualified recycling program.

b. Excluded Materials. Excluded prohibited materials may not be sold through a qualified recycling program, and the proceeds from their sale shall not be returned to a qualified recycling program. Excluded items in USC 2577 and 32 Code of Federal Regulation (CFR) 172 include, but are not limited to:

1. Government-furnished material;
2. Precious metal bearing scrap;
3. Hazardous waste (including household hazardous waste);
4. Ozone depleting substances;

5. Electrical components;
 6. Unopened containers of solvents, paints or oil;
 7. Fuels;
 8. Material that can be sold (as is) as a usable item;
 9. Repairable items that may be used again for their original purposes or functions (e.g., used vehicles, vehicle or machine parts, etc.);
 10. Ships, aircraft, weapons, and other material required to be demilitarized or mutilated, and scrap resulting from demilitarization;
 11. All Munitions List Items (MLI) and Strategic List Items (SLI) as defined in DoD 4160.21-M-1, except firing range expended brass and mixed metals gleaned from firing range cleanup;
 12. Types of surplus personal property whose sales proceeds must be deposited to accounts other than a qualified recycling program per 32 CFR 172, Appendix B.
- a. Scrap generated from Defense Working Capital Fund (DWCF) activities;
 - b. Usable personal property purchased by DWCF activities;
 - c. Property purchased with commissary surcharge funds;
 - d. Automatic data processing equipment owned by the General Services Administration;
 - e. Property purchased for the Military Assistance Program or purchased with Foreign Military Sales Administrative funds;
 - f. Coast Guard property;
 - g. Property owned by non-appropriated fund activities;
 - h. Lost, abandoned, or unclaimed privately owned personal property;
 - i. Property owned by a country or international organization;
 - j. Bones, fats, and meat trimmings generated by a commissary.

c. Other Qualified Recycling Program Materials. Materials that fit neither the definition of recyclable materials nor the definition of excluded materials are classified as other qualified recycling program materials.

d. Net Proceeds. An installation's proceeds from the sale of recyclable materials, less expenses attributable to processing recyclable materials at the installation, including the cost of any expense equipment purchased for recycling purposes.

3. Accountability for Proceeds.

a. Budgeting.

1. The Secretary of each Military Department shall establish qualified recycling programs. The total amount of the installation's anticipated recycling program will be executed on an unfunded reimbursable basis and must be coordinated with the program sponsor, CMC (LFF), to obtain unfunded reimbursable authority per MCO P5090.2. The unfunded reimbursable authority requested will include:

- Estimated collections plus any previous fiscal year carryovers.
- The amount required for processing recyclable materials, installation level costs (equipment acquisition costs, direct labor, transportation, and indirect costs.)
- After reimbursement of installation costs, commanders may use up to 50 percent of remaining sale proceeds for pollution abatement, energy conservation, and occupational safety and health activities. A minor construction project may not exceed 50 percent of the maximum amount established by law for a minor construction project. Any proceeds remaining after the aforementioned projects may be transferred to installation morale or welfare activities (up to 50 percent). The estimated costs of each of these projects are to be included in the budget estimate.

2. The Operating Budget authorization issued to the installation will contain an amount for unfunded reimbursable authority for the approved recycling program based on estimated collections plus any previous fiscal year carryover. Such authorizations will be footnoted on the Operating Budget as being "available for Recyclable Material Program expenses subject to collection of proceeds from recyclable material sales."

b. Collections.

1. Proceeds from sales of recyclable material will be deposited to Budget Clearing Account, Suspense (17F3875.27RM). Balances remaining in excess of \$2 million, per installation, at fiscal year-end will be deposited in the U.S. Treasury as Miscellaneous Receipts, 17R3210. The unique subhead permits segregation of these proceeds within this account to ensure proper accounting relative to amounts collected and their disposition.

2. Proceed checks deposited by the Defense Reutilization and Marketing Office (DRMO) are either sent directly to the command or are made with the local comptroller activity. The comptroller activities are responsible for providing to the Authorized Accounting Activity (AAA) an advance copy of the cash collection voucher for sales proceeds deposited for the installation generating recyclable material.

3. All collection vouchers and turn-in documents must contain the following accounting classification data for proper accountability of sales proceeds:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27RM	007	UIC of Activity Generating Proceeds	067443	3C	000000	

NOTE: The appropriate AAA authorized to account for funds should be used:
067443;DFAS-KC, 000318;DFAS-CL, OPLOC Hawaii, 067400;MCB, Camp
Butler, Okinawa, Japan, and 067004;DFAS-KC, MCLB, Albany/Barstow.

c. Accounting.

1. Obligations to the reimbursable account may be created only to the extent of cumulative amounts collected and recorded from comptroller activity and locally processed collection vouchers that are within total unfunded reimbursable authority provided in the installation's Operating Budget authorization. If insufficient proceeds are available to cover recycling program expenses, the program expenses in excess of reimbursable obligation authority must be covered from other installation Operating Support authorizations. An evaluation will be made to determine if the recycling program provides a net financial benefit to the installation in accordance with MCO P5090.2 and adjustments to the program will be made as necessary.

2. The accumulation of collections in 17F3875.27RM is not affected by fiscal year end; therefore, proceeds acquired during one fiscal year may be carried forward and merged with those of a subsequent fiscal year, not to exceed \$2 million per installation. Reimbursements to the operation and maintenance account to cover expenses of the recycling program will be made from 17F3875.27RM based on quarterly bills from the installation.

3. Net proceeds, not to exceed 50 percent, from sales of recyclable material after reimbursement of expenses incurred in operation of recyclable programs may be used to reimburse costs of projects and activities.

4. All remaining balances of net proceeds after reimbursement of costs identified above may be used to support local non-appropriated fund (NAF) morale, welfare, and recreation (MWR) activities. Alternatively, all of the remaining balance of net proceeds after reimbursement of operating and maintenance costs may be transferred to installation MWR activities. Funds transferred to NAF MWR activities are not considered appropriated support to non-appropriated instrumentalities and should be reported in the accounting records as expenses for the Recyclable Material Program.

5. Public health and environmental activity expenses, including net recyclable proceeds transferred to NAF welfare and recreation activities, will be accumulated and reported in the accounting system under the RON "RMS" for unfunded reimbursable authority related to welfare and recreation activities and "RMD" for unfunded authority related to direct recyclable programs. The following reimbursable customer LOA will be charged:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27RM	000	UIC of Activity Generating Proceeds	067443	2D	000000	000000098004

NOTE: The appropriate AAA should be used: 067443;DFAS-KC, 000318;DFAS-CL, OPLOC Hawaii, 067400;MCB, Camp Butler, Okinawa, Japan, and 067004;DFAS-KC, MCLB, Albany/Barstow.

Activity Group/Subactivity Group (AG/SAG) code "BA/B7" and cost account codes B7A0, B7B0, and 99J0 have been established for reporting expenses related to the Recyclable Material Program. Military personnel costs should be collected, if applicable, but are not reimbursable. Costs incurred in support or transfer to NAF MWR activities will be accumulated and reported under cost account 99J0.

6. Bills are generated based on the accrued expenses recorded in the accounting system. Reimbursement will be made from proceeds deposited in account 17F3875.27RM and will be credited to the Operation and Maintenance, Marine Corps appropriation at installation level. Reimbursement in excess of the approved program is not authorized and will in no case exceed the amount of collections recorded.

7. Authority and acquisition of investment property under the Procurement, Marine Corps appropriation will be the responsibility of CMC (LFF) .

LUMBER AND TIMBER PROGRAM

1. Authority. Title 10 U.S. Code 2665, as amended, provides that operation and maintenance expenses incurred during the fiscal year in the production and sale of forest products may be reimbursed from forest product sales proceeds generated during the same fiscal year. The Lumber and Timber Program covers forest products production and sales program on military installations in the United States. The DoD DODFMR Volume 11A, chapter 16 provides for reimbursement of DoD appropriations incurring obligations for the production and sale of forest products from collections made as a result of the sale of such products. The HQMC sponsor for this program is CMC, Logistics, Facilities, and Services Division - Land Use (LFL) .

2. Definitions.

a. Forest Management. An integrated program for managing forested areas for the commercial production and sale of forest products, including timber management, forest administration, timber sales, reforestation, timber stand improvement, timber access road construction and maintenance, forest protection, and other directly related functions; and for maintaining the health and vigor on non-commercial forest ecosystems.

b. Entitlements. Forty percent of installation net proceeds distributed to the state that includes a military installation or facility from which forest products were sold during a fiscal year (applies to forest products sold after September 30, 1984) .

c. Net Proceeds. An installation's proceeds from the sale of forest products less the amount reimbursed to the installation for program costs incurred by the installation. Program costs shall include obligations for current operating expenses and for the purchases of capital equipment required to operate the program.

d. Surplus Funds. Surplus funds are sales proceeds remaining after reimbursements to the installations and to the states.

e. Reserve Funds. The DoD Reserve Account (21X5285) is maintained by the Department of the Army and is used for improvement of forest lands; for unanticipated contingencies in the administration of forest lands and the production of forest products for which other sources of funds are not available in a timely manner to the extent that collections from the sale of forest products are inadequate to cover expenses; and natural resources management that implements approved plans and agreements such as wildlife conservation.

3. Accountability for Proceeds.

a. Budgeting. The program sponsor CMC (LFL) will prepare annual forestry program budgets for each coming fiscal year. The budgets should include anticipated sales revenue, program obligations, states' entitlements, equipment acquisition costs, unfinanced requirements, and transfers. Unfunded reimbursable authority will be included in the Operation and Maintenance Operating Budget issued by CMC, Program Resources Budget Operation Branch (RFO) and footnoted as "not being available for any other purpose".

b. Collections. Proceeds from sales of forest products production and sales program will be deposited to the Treasury General Fund Receipt Account 17F3875.27FY, "Budget Clearing Account (Suspense)." The portion of the proceeds that is to be used to finance reimbursable expenses shall be transferred by CMC, Program Resource Liaison & Technical Service (RFL) to the installations' Operation and Maintenance, Marine Corps, or Headquarters Procurement appropriation in accordance with the annual approved budget. Proceeds will be turned over to the local disbursing officer for deposit and will be supported by an original and three copies of the cash collection voucher ([Standard Form \(SF\) 1080](#)). The collection voucher will be dated for the date proceeds are received and reflect in the description column the purpose funds were received; i.e., "Proceeds from forest products production and sales." The collection voucher will contain the following accounting classification data:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27**	007	UIC of Activity Generating Proceeds	067443	3C	000000	

NOTE: "***" denotes the last two positions of the fiscal year.

NOTE: The appropriate AAA should be used: 067443 for DFAS-KC or 067004 for MCLB, Albany.

For each installation generating forest product sales, records will be kept to show sales proceeds generated by fiscal year for determining payments to states as required by 10 USC 2665.

A copy of the collection vouchers and a quarterly reconciliation for each activity will be forwarded from HQMC-LFL to DFAS-KC, Field Accounting Division, Reports and Analysis Branch (ALR).

c. Accounting.

1. All expenses related to the lumber and timber program incurred against the Operation and Maintenance, Marine Corps funds of the activity concerned, will be accumulated and reported in the accounting system under RON "FTP." The following customer LOA will be charged:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17F3875.27**	000	UIC of Activity Disbursing Funds	067443	2D	000000	000002798004

NOTE: "***" denotes the last two positions of the fiscal year.

NOTE: The appropriate AAA should be used: 067443 for DFAS-KC or 067004 for MCLB Albany.

Activity Group/Subactivity Group "BA/B9" has been established for reporting Lumber and Timber expenses under cost account codes 3B10 through 3B70. Expenses for Disposal of Personal Property are no longer reimbursable expenses and are captured for management purposes only. Military personnel costs should be collected, if applicable, but are not reimbursable.

2. Bills are generated based on the accrued expenses recorded in the accounting system. Reimbursements will be made from proceeds deposited in account 17F3875.27FY. Reimbursement in excess of the approved program is not authorized and in no case will reimbursement exceed amounts deposited to account 17F3875.27FY.

3. At the end of each fiscal year, HQMC determines the amount of the states' entitlement to forestry proceeds and provides this amount to DFAS-KC, Procedures and Financial Reporting Division, Intra-Government & Accounting Branch (DFAS-KC/ACI) for transfer from 17F3875.27FY to Deposit Account 17X6875.1220, "Suspense, Navy." Payments to the states are made from 17X6875.1220.

4. Entitlements to each state shall be determined on the basis of a separate calculation for each military installation/facility from which forest products were sold in that fiscal year. If a military installation or facility is located in more than one state, payments will be made to each state involved in a manner proportional to the area of the installation/facility situated in each state. If an installation/facility is located in more than one county within a state, a description of the areas (acres) of the installation situated in each county may accompany that state's entitlement.

5. DFAS-KC/ACI disburses the states' entitlements within 90 days after the end of the fiscal year. Payments to the states are made by electronic medium, if possible; otherwise, check payment is authorized.

6. After the states have been paid and appropriation accounts reimbursed, any remaining balance in 17F3875.27FY will be transferred to 21X5285, "Department of Defense, Forest Products Program, Army." Secretary of Army shall act as DoD Executive Agent to monitor and coordinate financial management of DoD forest products program. Coordinate the transfers of surplus and reserve funds. Maintain the DoD Reserve Account and make transfer in accordance with the instructions from the DUSD (ES). On December 31, of each year, the Deputy Under Secretary of Defense for Environmental Security (DUSD(ES)) will review the balance in 21X5285 and direct the transfer of any amount in excess of \$4 million to Treasury account **3210, "General Fund Proprietary Receipts, Defense Military, Not Otherwise Classified." As directed by the DUSD(ES)CI, in coordination with the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), net proceeds may be distributed among the Military Services to ensure the overall funding requirements of the DoD forestry program are met.

7. Payment of state entitlements and the transfer of surplus balances to the Army Reserve account finalizes all billings and payments authorized against collections realized during the fiscal year. As such, installations and AAAs are to ensure that undelivered orders against lumber and timber reimbursable orders are expensed and final bills presented timely for processing by DFAS-KC/ALOB. Failure to bill for all valid expenses and undelivered orders at year end will result in the installation absorbing unfunded reimbursable expenses against their direct obligation authority.

4. Investment Property. Authority and acquisition of investment property under the Procurement, Marine Corps appropriation will be the responsibility of CMC, Logistic, Facilities & Services Division (LF).

GUIDANCE FOR WILDLIFE CONSERVATION

1. Authority.

a. Under provisions of 16 U.S. Code 670a-e, the Secretary of Defense is authorized to promote effective planning, development, maintenance, and coordination of wildlife, fish, and game conservation on military reservations in accordance with a cooperative plan or agreement mutually agreed upon by appropriate state and federal government officials. If agreeable to the signatories of the cooperative plan, the U.S. Marine Corps installation may issue special permits to individuals for hunting and fishing privileges and collect a fee. Such fees are to be used only on the installation where collected to carry out a program of protection, conservation, and management of fish and wildlife, including habitat improvements and related activities as stipulated in the cooperative plan.

b. The Wildlife Conservation, Military Reservations, Navy (175095) is a special account established for recording receipts from sales of hunting and fishing permits on Navy and Marine Corps military installations. The U.S. Marine Corps subhead for execution of this special account is 27FY. Execution of approved wildlife conservation programs is accumulated and reported under the Wildlife Conservation, Navy, 17X5095.27FY, account.

2. Definitions.

a. Fish and Wildlife Conservation Act of 1980. The Fish and Wildlife Conservation Act of 1980 (Public Law 96-366, 16 USC 2901 et seq.) promotes state programs for the purpose of conserving, restoring, or otherwise benefiting non-game fish and wildlife, its habitats, or its uses.

b. Hunting and Fishing Access Fees. Installations that permit hunting, fishing, or trapping are authorized to collect fees for access to these recreational opportunities. Fees or proceeds from hunting, fishing, and trapping will be used only for funding or supplementing funding or wildlife management programs to enhance hunting, fishing, and trapping opportunities on installations where fees are collected. Proceeds collected will be turned over to the servicing U.S. Marine Corps accounting and finance officer.

c. Conservation Programs on Military Installations (Sikes Act). The Sikes Act (16 USC 670 et seq.) requires each military installation to provide for multipurpose uses and to provide public access appropriate for those uses, unless access is inconsistent with military department mission. It also requires each military department to ensure professional services are provided that are necessary for management of fish and wildlife resources on each installation (per a tripartite cooperative plan agreed to by the military department, U.S. Fish and Wildlife Service [USFWS] and state wildlife agency), to provide their personnel with professional training in fish and wildlife management, and to give priority to contracting work with federal and state agencies having responsibility for conservation or management of fish and wildlife.

3. Accountability for Proceeds.

a. Budgeting.

1. Procedures for programming expenditures of fees collected from the sale of hunting, fishing, and trapping permits are contained in MCO P5090.2. The U.S. Marine Corps is provided an allocation of approved unfunded reimbursable authority annually by the Comptroller of the Navy. Authorization in the form of allotments are issued against the U.S. Marine Corps portion of the approved allocation, only to those U.S. Marine Corps field activities which have submitted an approved Cooperative Plan in accordance with MCO P5090.2.

2. The Fish and Wildlife Cooperative Plan is for the cooperative management of fish and wildlife on a military installation implemented by the installation commander in cooperation with appropriate federal and state agencies as required by the Sikes Act. The fee schedule for hunting and fishing permits should be developed in the context of the cooperative plan with the state.

3. Installations must request authority from CMC (LFL) to spend Hunting and Fishing Access Fee/License and Permit Funds. This request must include:

- Financial summary of the fee account by prior year, budget year, and budget year plus one.
- Unobligated balance brought forward from the preceding fiscal year (actual).
- Estimate of fees to be collected.

4. Activity commanders are responsible for ensuring that fish and wildlife expenditures reported in appropriation 17X5095 do not exceed the amount authorized by the CMC or the amount actually available in the fee deposit account, whichever is less.

b. Collections. Proceeds from sales of hunting, fishing, and trapping permits will be deposited to the Treasury special fund receipt account 17R5095.27FY, "Sale of Hunting and Fishing Permits, Military Reservation" per reference (a) paragraphs 032114 and 040605 or "Proceeds collected from the sale of installation hunting and fishing access licenses." Sales/Fees proceeds will be turned in to the local disbursing officer for deposit, supported by an original and three (3) copies of the Voucher for Disbursement/Collection ([Standard Form \(SF\) 1080](#)). The collection voucher will contain the following accounting classification data:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17R5095.27**	007	UIC of Activity Issuing Permits	AAA of Allotment Holder	3C	000000	

NOTE: "***" denotes the last two digits of the fiscal year. The subhead was formerly "2700."

The collection date must be the date payment is received. A copy of the [SF 1080](#) must be forwarded to CMC (LFL).

c. Accounting. Fees collected pursuant to approved wildlife conservation programs established in accordance with MCO P11000.8 are recorded in allotment records as authorizations received based on a copy of the Voucher for Disbursement/Collection ([Standard Form \(SF\) 1080](#)). Unfunded reimbursable authority authorized in the allotment authorization shall not be recorded or reported in the allotment records until collections have been realized. Authorizations, commitments, obligations, and disbursements to the extent of collections received are reported monthly on the Status of Fund Authorization Report (NAVCOMPT Form 2025) in accordance with Volume 3, Chapter 9 of the NAVCOMPT Manual. Financial transactions related to wildlife conservation programs will be reported under appropriation and subhead 17X5095.2700 and budget project "64" followed by the applicable allotment for each installation executing approved wildlife conservation programs. Transaction Type Code "2I" and functional account number 99312 will be cited on financial transactions chargeable to Wildlife, Conservation funds. Military personnel costs, if applicable, should be collected but are not reimbursable.

d. Activities should note that the execution account for Wildlife, Conservation is different from the deposit account by the entry of an "X" as part of the appropriation. Authorized accounting activities will ensure that collections and disbursements are recorded to the appropriate appropriation account symbols.

e. Operation and maintenance costs related to executing the fish and wildlife efforts under Operation and Maintenance, Marine Corps direct appropriation authority will be reported under Activity Group/Subactivity Group (AG/SAG) "BA/BW" and cost account code 9170.

GUIDANCE FOR COLLECTION OF MEAL FOOD COSTS AND SURCHARGES1. Authority.

a. Commencing FY 97, the requirement for individuals to pay the meal surcharge became obsolete. Two separate meal rates, "Discount" and "Full", were established. Although individuals no longer pay a surcharge, U.S. Marine Corps commands are authorized to retain a percentage of the total meal charges collected from patrons paying the "Full" meal rate to defray mess operating costs. For purpose of clarification within this chapter, this percentage is referred to as surcharge. The surcharge to be retained for use at installations level to defray cost of mess operation will be determined each year based on the difference between the "Discount" meal rate and the "Full" meal rate established by DoD. Commands will be advised each FY by Headquarters, Marine Corps, code LFS-4, of the new meal rates and the percentage to be retained locally.

b. The authorized surcharge amount to be retained locally will be collected as a reimbursable (i.e., RON "SIS") under Operation and Maintenance, Marine Corps (OMMC) Appropriation to be used by the messhalls. The balance of funds collected will be credited to the Military Personnel Marine Corps (MPMC) Appropriation Subsistence account as reflected in paragraph 2.b.2 below.

c. Field installations that generate collections on meal surcharges, identified above, and on bulk subsistence surcharges, are required to obtain unfunded reimbursable authorizations on their OMMC Operating Budget prior to obligating any of the meal surcharges collected.

2. Accountability for Proceeds.a. Budgeting.

1. CMC, Budget Operations Branch (RFO) will provide anticipated unfunded reimbursable authority for meal and bulk subsistence surcharge collections on the installation's Operating Budget based on the estimated amount of collections to be realized. The unfunded reimbursable authority is subject to actual collection of surcharges prior to obligating any transactions against the unfunded authorization. Therefore, field budget offices should not pass unfunded reimbursable authority for surcharges to the spending level (fund administrator level) until actual collections have been realized in the amounts to be obligated against the overall unfunded authority.

2. Annually, Headquarters (HQS), Logistic Facilities Service Branch (LFS-4) will provide HQMC, Fiscal Division (RF) with an estimate of the surcharges that will be collected by field commands, and an authorized ceiling based on estimates. This ceiling is based on past surcharge collection data that LFS-4 receives from field commands quarterly on the Subsistence Operational Analysis Reports. Fiscal then gives commands their authorized ceiling for surcharge collections based on the data provided by HQS LF-4. If a command needs to have their ceiling increased, they must request it from HQS LFS-4 (with proper justification) and HQS LF-4 gives Fiscal authority to increase it.

b. Collections.

1. Collections retained locally will be credited directly to the installation's OMMC, Base Operating Support Appropriation and subhead (i.e., 1106.27AO, 1106.27LO, 1106.27MO, 1106.27.NO, or 1106.27TO) citing the installation's Operating Budget Unit Identification Code, as applicable.

2. All MPMC surcharge collections are unfunded reimbursements, collection register 14 and Reimbursement Source Code 007. The MPMC portion of meals sold at the "full" rate, the total collections for the sale of meals at the "discount" rate, and bulk subsistence POR's are credited to MPMC appropriation and subhead (1105.2741) citing the HQMC Bureau Control Number (BCN) as applicable. Funds will be credited for receipt to the following MPMC appropriation data:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC	
17*1105/2741	007	31702	67443	3C	0ZZZZZ	991A00073111	CONUS
17*1105/2741	007	31702	67443	3C	0ZZZZZ	991B00073112	OCONUS
17*1105/2741	007	31702	67443	3C	0ZZZZZ	991C00073150	PORS

NOTE: "Z" denotes the UIC and "*" denotes the last digit of the fiscal year.

c. Accounting.

1. Accounting for OMMC Surcharge Collections. Accounting for OMMC surcharge collections will be in accordance with the following:

"Unlike other unfunded reimbursements generated at the field, reimbursable billing related to expenses incurred against meal and bulk subsistence surcharge collections will not be credited to CMC since all collections will have already been generated at the local level and credited to the reimbursable order established in the accounting system for meal surcharges or to the HQMC allotment in 6.2b.2a above."

a. RON "SIS" has been established in the accounting system to account for unfunded reimbursable transactions related to meal and bulk subsistence surcharge collections and related obligations incurred. Activities will establish this RON as part of the Financial Information Pointer (FIP) recorded for meal surcharge unfunded reimbursable authority received.

b. Expenses related to unfunded reimbursable authority realized from meal and bulk subsistence surcharges collected will be recorded and reported under Activity Group/Subactivity Group "BA/BD" and cost account codes "9911 through 9916," as applicable.

c. Contract meals provided in the field will be funded by two appropriations. Military Personnel Marine Corps Appropriation (MPMC) Subsistence-In-Kind (SIK) will reimburse contractors at the daily discounted rate per person and local commands' OMMC will reimburse the contractor for the difference.

d. Obligations for Defense Working Capital Fund (DWCF) MC Stock Fund issues will be recorded at a summary level. Obligations for Package Operational Rations (PORS) will be recorded at the detail level (line item).

GUIDANCE FOR JURY DUTY/WITNESS SERVICE FEE COLLECTIONS

1. Authority. In accordance with 5 U.S. Code 5515 (reference (b)), monies received by employees for services as a juror or witness during a period of entitled court leave, shall be collected and credited against the appropriation and accounting classification funding the employee's salary while on jury duty or witness service.

2. Definitions. Jury duty/witness service is when a court order, subpoena, or summons calls an employee for court service (as a witness or juror).

3. Accountability for Proceeds.

a. Accounting. Reimbursements to appropriations at modified industrial and nonindustrial activities resulting from the collection of fees for jury services performed will be recorded as unfunded accounts receivable at the field activity level. For report purposes, the RON "MIS" will be used. The activity collecting the fees should contact the Commandant of the Marine Corps (CMC), Budget Operations Branch (RFO) for unfunded reimbursable authority.

b. Collections. Unfunded reimbursable authority resulting from jury duty fee collections can be reobligated by the collecting activity. The purpose of the funds used for reobligation is the Command's decision.

1. Court leave fees will be collected in accordance with DoD DODFMR Volume 8, Chapter 5, Section 0513.

2. Allocate the amount of jury duty collection from your labor FIP to clear RON "MIS" immediately. The following customer LOA will be charged:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
APPN/SH of Employee's Salary Funding	XXX	UIC of Activity Payroll	067443	3C	000000	47942

NOTE: "XXX" denotes the applicable Reimbursement Source Code (RSC)

GUIDANCE FOR SECURITY ASSISTANCE TRAINING COLLECTIONS

1. Authority.

a. To promulgate Security Assistance policies applicable to the U.S. Marine Corps, as set forth in the Foreign Assistance Act of 1961. Security Assistance Programs are key elements in establishing potential coalition partners, assisting nation building efforts of current or potential allies, enhancing U.S. National Security interests, and developing regional expertise of U.S. military personnel.

b. Security assistance efforts within the DON and the U.S. Marine Corps are facilitated through the Navy Education and Training Security Assistance Field Activity (NETSAFA). NETSAFA functions as the Chief of Naval Education and Training executive agent for execution of the U.S. Navy Security Assistance Training Program (SATP). Additionally, NETSAFA provides financial administration and automated data processing support to the Commanding General, Marine Corps Combat Development Command, in the execution of the Department of the Navy SATP.

c. The U.S. Marine Corps supports security assistance requirements that are consistent with Joint Planning Documents and have the support of the unified commander.

2. Definitions.

a. International Military Education and Training (IMET). Provides training to selected foreign military and defense associated civilian personnel on a grant basis.

b. Foreign Military Financing Program (FMFP). Identifies appropriations for distribution through either Foreign Military Sales (FMS) "grants" or "loans" to qualified foreign governments.

c. Navy Education and Training Security Assistance Field Activity (NETSAFA). NETSAFA functions as the Chief of Naval Education and Training executive agent for execution of the DON SATP. Additionally, NETSAFA provides financial administration and automated data processing support to the Commanding General, Marine Corps Combat Development Command, in the execution of the DON SATP.

3. Accountability for Proceeds.

a. Collections. The following LOA's are to be used to collect FMS/IMET reimbursements from Security Assistance Training on behalf of the U.S. Marine Corps:

FMS Accounting Lines:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC	
17*1106.27M0	009	00027	067443	3C	M00027	FMS000076104	O&MMC
17*1106.27M0	009	00264	067443	3C	M00264	M00264**FMT0	MCCDC
17*1508.10R6	009	00802	067443	3C	M67854	FMS000098023	PMC
17*1105.2701	009	11691	067443	3C	M00027	FMS000071110	MP-O
17*1105.2702	009	12691	067443	3C	M00027	FMS000071130	MP-E

IMET Accounting Lines:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC	
17*1106.27M0	009	00027	067443	3C	M00027	IMET00076104	O&MMC
17*1106.27M0	009	00264	067443	3C	M00264	M00264**IMT0	MCCDC
17*1508.10R6	009	00802	067443	3C	M67854	IMET00098023	PMC

NOTE: "*" denotes applicable FY upon reimbursement (last digit of FY).

"**" denotes applicable FY upon reimbursement (last two digits of FY).

b. Accounting.

FINANCIAL EXECUTION STANDARD OPERATING PROCEDURE

1. All expenses related to the Security Assistance Program will be accumulated and reported in the accounting system. For reporting purposes, Authorized Accounting Activities (AAAs) will assign RON "FMS" in the FIP.
2. The foreign country deposits funding for training to DFAS-DE.
3. NETSAFA prepares the paperwork and sends the bill to DFAS-DE when training begins.
4. DFAS-DE will process the U.S. Marine Corps bill and posts to the appropriate line of accounting in register 36.

GUIDANCE FOR FAMILY HOUSING COLLECTIONS

1. Authority. Pursuant to authority contained in Section 2831 of Title 10 of the United States Code makes proceeds from operation of family housing (including mobile home facilities) available to defray the costs of operation and maintenance of family housing.

2. Collections.

a. Housing management activities will credit family housing security deposits (refundable) to suspense account 17X6501.1250.

b. Housing management activities will credit all other collections to the annual family housing appropriation as follows:

APPN/SH	OBJ CLASS	BCN	AAA	TTC	PAAN	CC
17*7035.2751	007	96###	067443	3C	000000	027**WRFHCOL

NOTE: "*" denotes last digit of fiscal year of collection.

"###" denotes the command allotment number.

"**" denotes the last two digit of fiscal year of collection.

c. Housing management activities will charge refunds of advance rental and utilities to 17*7035.

3. Accounting.

a. Funding authority is issued via quarterly allotments to housing management activities as an unfunded reimbursable program under the family housing appropriation (17*7035), Budget Project (BP) 96.

b. Housing management activities will establish local controls to ensure that obligations/expenses are not incurred under/transferred to family housing allotments (BP 96) until receipt of documentary evidence that collections (reimbursements) of equal or greater amounts have been credited to the family housing appropriation.

c. Housing management activities are prohibited from incurring obligations and expenses in excess of the allotted amount for BP 96 without prior approval from HQMC.

APPENDIX M

ACCOUNTING SYSTEM LABOR TABLES

To facilitate the posting and reconciliation of civilian labor, the following accounting system tables must be loaded prior to processing labor transactions.

TABLE	DESCRIPTION
0D0	<u>Labor Accelerations</u> . This table contains the percentages by fund code of the amount to be accelerated for Leave and Fringe Benefits.
0D1	<u>Labor Accel Credit FIP (Reimb FIP's only)</u> . This table needs to contain the FIPS for full-time reimbursable employees. SABRS will use the HOME FIP of each employees to post 11LL (Acceleration credits) but will leave off the RON & RBC codes. The Direct side will post correctly and does not require a FIP here.
0D4	<u>Comp Time FIP</u> . There are two payroll exception codes to identify the FIP's for Comp Time Earned (75) and Comp Time Taken (76). Comp Time Taken (76) is a default FIP for the Direct costs as the Leave Tables will identify the correct FIP. However, for the full time reimbursable employees this table will need an actual FIP as the system will leave the RON and RBC codes off without it._
0I2	<u>Labor Holiday FIP (Reimb FIPS only)</u> . This table needs to contain the FIPS for full-time reimbursable employees. SABRS will use the HOME FIP of each employees to post holiday leave costs but will leave off the RON and RBC codes. The Direct funded employees will post correctly from the leave FIP's in DCPS and does not require a FIP here.
0E4	<u>Labor DNR FIP (For Payments only)</u> . This table provides a payment FIP for civilian labor. It will contain only one FIP per subhead and for each Document Type Code (DTC). The DTC are as follows:
<u>DTC</u>	<u>PURPOSE</u>
FB	TSP Basic Amount (1%)
FF	FICA
FH	Health Insurance
FL	Life Insurance
FM	TSP Matching Amount
FT	HIT (Medicare)
LD	Paid Labor (OC 11)

APPENDIX N

CIVILIAN LABOR BALANCING SPREADSHEET INSTRUCTIONS

Below are procedures for balancing labor (Payroll to Accounting).

SPREADSHEET FORMAT:

Line #		OC11	OC12	TOTAL
1	Actual YTD Payroll (Pay period ending)	0.00	0.00	0.00
2	Default Labor L509 (Pay period ending)	0.00	0.00	0.00
3	Sub-Total	0.00	0.00	0.00
4	X242 - Cycle #	0.00	0.00	0.00
5	Difference in SABRS	0.00	0.00	0.00
6	Error in Report L106 (if not posted)	0.00	0.00	0.00
7	Online Adj L501 (if an error)	0.00	0.00	0.00
8	Distributed Labor L112	0.00	0.00	0.00
9	Difference/Fringe Adjustment	0.00	0.00	0.00

NOTE: If there is a difference in OC11, there is an error somewhere.

INSTRUCTIONS FOR THE SPREADSHEET:

Line # 1 - Post the cumulative year to date (YTD) totals from the current YTD LABOR report (this is a locally created spreadsheet to keep track of the YTD payroll from DCPS). Post OC11 and OC12 separately and show the latest PPE date.

Line # 2 - L509 (Default Labor) post the total amount by OC11 and OC12 totals. Show the PPE date (this should be for the PPE not yet processed) and it is for either one or two weeks of the pay period.

Line # 3 - Is the subtotal of the year to date labor.

Line # 4 - X242 (Consolidated Civilian Labor Cost Report. Note: This is a Budget Execution BUDEX report). This report shows the year-to-date (YTD) labor obligations within SABRS. In the center of the page is the Total Labor (both Direct & Reimb). The OC11 are the lines WORKED & LEAVE USED. The OC12 is the line FRINGE ACCELERATION.

Line # 5 - This is the difference between the subtotal and the BUDEX (if there is an amount here, then SABRS is out of balance).

Line # 6 - Error Report L106 post this amount if BI-WEEKLY RECONCILIATION was ran after the SABRS WEEKLY process. Also post any previous errors not yet corrected.

Line # 7 - Online Adj L501 - This report shows all adjustment posted within SABRS and may contain an error. If there is an error posted here, make the corrections.

Line # 8 - Distributed Labor L112 - This report shows what adjustments were made in SABRS to match the Default labor to the actual payroll and is run after the BI-WEEKLY RECONCILIATION. Check the SABRS cycle processing schedule as it will only affect the current cycle (if it ran last week then the adjustments are in the X242 report and you do not post here).

Line #9 - Should only have a difference in Fringe (OC12 is not adjusted by the RECONCILIATION process and will always be out of balance) Post an adjustment to the LABOR ADJUSTMENT PROCESS to bring OC12 in balance. If there is a difference in OC11, go back to when you were last in balance and recheck all error and online adjustment reports from that cycle.

APPENDIX O

INTEGRATED AUTOMATED TRAVEL SYSTEM (IATS)

IATS is the standard DoD system for computing and paying travel allowances to DOD travelers. The following reports are available in the Kansas City domain for use in validating outstanding travel advances:

<u>REPORT ID</u>	<u>DESCRIPTION</u>
T7250ACD	Outstanding Travel Advances
T7250ACE	Outstanding Travel Advances (All Sites)
T7250ACF	Accounting Outstanding Travel Advance (DSSN)
T7250ACG	Accounting Outstanding Travel Advance (All Sites)
T7250ACH	Summary Outstanding Travel Advance (DSSN)

APPENDIX P

REPORTING OF PROBLEM DISBURSEMENTS

Commands will report problem disbursement data to HQMC (RFL-M) with DFAS-KC (ACP) in the format provided below. All dollar values should be rounded to the nearest dollar.

FY/APPN/ SUBHEAD	TOT IDB UMD NET	IDB UMD >180 NET	IDB/UMD >180 DAYS TEMPORARY OBLIGATIONS NET	PENDING CORRECTIONS NET
1751106	\$535	\$123	\$100	\$23
1761106	200	100	68	32
1771106	75	75	0	75
1781106	420	350	300	50
1791106	750	231	124	117
9770100	400	250	125	175
FY/APPN/ SUBHEAD	TOT DNR UMD NET	DNR UMD >180 NET	DNR UMD >180 DAYS TEMPORARY OBLIGATIONS NET	PENDING CORRECTIONS NET
1741106	\$555	\$123	\$100	\$23
1751106	100	75	65	10
9190100	400	250	125	125
FY/APPN/ SUBHEAD	TOT NULO UMD NET	NULO >180 NET	NULO >180 DAYS TEMPORARY OBLIGATIONS NET	PENDING CORRECTIONS NET
1741106	\$555	\$123	\$100	\$23
1781106	100	75	65	10
9790100	400	250	125	125

APPENDIX Q

YEAR-END CERTIFICATION OF AUTHORIZATIONS, OBLIGATIONS,
AND UNOBLIGATED BALANCES

The certification statement should be signed by the appropriate Commanding General or commander and dated. Designees are not allowed. Provide the requested information along with Certification Statement for each applicable appropriation by subhead in the following format:

Appropriation: XX XXXX

Subhead: XXXX

FY	AUTH DIRECT/ REIM	OBL DIRECT/REIM	EXPENSES DIRECT/REIM	UNOBL BALANCE DIRECT/REIM
93				
94				
95				
96				
97				
98				
99				
00				

I HEREBY CERTIFY THAT THE ABOVE AMOUNTS SHOWN IN THIS REPORT ARE CORRECT. ALL KNOWN TRANSACTIONS MEETING THE CRITERIA OF DOCUMENTARY EVIDENCE REQUIREMENT FOR GOV'T OBLIGATIONS, 31 U.S.C. 1501 (A) HAVE BEEN OBLIGATED AND ARE SO REPORTED.

COMMANDER'S SIGNATURE:DATE:

POINT OF CONTACT FOR THE CERTIFICATION REQUIREMENTS: